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1997-99 Budget
House of Representatives
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 380.5 | 49,303 | 49,318 |
| 1997-99 Maintenance Level | 375.5 | 49,303 | 49,303 |
| Policy Changes: | | | |
| 1. Equipment | 0.0 | 400 | 400 |
| 2. Legislative Ethics Board | 0.5 | 150 | 150 |
| Total Policy Changes | 0.5 | 550 | 550 |
| Total 1997-99 Biennium | 376.0 | 49,853 | 49,853 |
| Difference from 1995-97 | -4.5 | 550 | 535 |
| % Change from 1995-97 | -1.2% | 1.1% | 1.1% |

Comments:

1. Equipment - Funding is provided to purchase computer equipment to support the work of the Legislature.

2. Legislative Ethics Board - Funding is provided for .5 FTE staff and operating expenses for the Legislative Ethics Board. Expenditure decisions of the Board, including employment of staff, shall be independent of the Senate and House of Representatives.

1997-99 Budget
Senate
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 297.1 | 37,993 | 38,008 |
| 1997-99 Maintenance Level | 297.1 | 39,870 | 39,870 |
| Policy Changes: | | | |
| 1. Legislative Ethics Board | 0.5 | 25 | 25 |
| Total Policy Changes | 0.5 | 25 | 25 |
| Total 1997-99 Biennium | 297.6 | 39,895 | 39,895 |
| Difference from 1995-97 | 0.5 | 1,902 | 1,887 |
| % Change from 1995-97 | 0.2% | 5.0% | 5.0% |

Comments:

1. Legislative Ethics Board - Funding is provided for .5 FTE staff and operating expenses for the Legislative Ethics Board. Expenditure decisions of the Board, including employment of staff, shall be independent of the Senate and House of Representatives.

1997-99 Budget
Jt Leg Audit & Review Committee
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 17.0 | 3,011 | 3,011 |
| 1997-99 Maintenance Level | 17.0 | 2,796 | 2,796 |
| Policy Changes: | | | |
| 1. Tuition/Financial Aid Study | 0.0 | 100 | 100 |
| 2. School District Terrorty | 0.0 | 50 | 50 |
| Total Policy Changes | 0.0 | 150 | 150 |
| Total 1997-99 Biennium | 17.0 | 2,946 | 2,946 |
| Difference from 1995-97 | 0.0 | -65 | -65 |
| % Change from 1995-97 | 0.0% | -2.2% | -2.2% |

Comments:

1. Tuition/Financial Aid Study - Funding is provided for a coordinated study of student financial aid and tuition policy. The study shall include an evaluation of resources and benefits available to students to maximize state financial aid program funds. The JLARC shall complete the study and issue a report to the legislature by November 1, 1998.

2. School District Terrorty - Funding is provided for the implementation of SSB 5071 (school district territory). The JLARC shall conduct a study on current laws and the State Board of Education's authority governing school district organization.

1997-99 Budget
LEAP Committee
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 10.8 | 2,324 | 2,324 |
| 1997-99 Maintenance Level | 10.8 | 2,324 | 2,324 |
| Policy Changes: | | | |
| 1. Non-classified Staff Adjustments | 0.2 | 149 | 149 |
| 2. System Productivity Gains | 0.0 | -145 | -145 |
| 3. Advanced Technical Training | 0.0 | 14 | 14 |
| 4. Client Workstations/Servers | 0.0 | 53 | 53 |
| Total Policy Changes | 0.2 | 71 | 71 |
| Total 1997-99 Biennium | 11.0 | 2,395 | 2,395 |
| Difference from 1995-97 | 0.2 | 71 | 71 |
| % Change from 1995-97 | 1.9% | 3.1% | 3.1% |

Comments:

1. Non-classified Staff Adjustments - Funding is provided for merit increments for non-classified staff and a 0.2 FTE staff increase.

2. System Productivity Gains - Funding is reduced for personal services and goods and services as a result of system productivity gains.

3. Advanced Technical Training - Funding is provided for advanced technology training.

4. Client Workstations/Servers - Funding is provided for improvements to legislative client work stations and servers.

1997-99 Budget
Office of the State Actuary
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|------|----------------------|-------|
| 1995-97 Estimated Expenditures | 9.3 | 0 | 1,619 |
| 1997-99 Maintenance Level | 9.3 | 0 | 1,627 |
| Policy Changes: | | | |
| 1. JCPP Meeting Costs | 0.0 | 0 | 12 |
| 2. Increase Staff to Full-Time | 0.2 | 0 | 14 |
| 3. Computer Replacement | 0.0 | 0 | 20 |
| 4. Enhance Connection to LSC | 0.0 | 0 | 8 |
| Total Policy Changes | 0.2 | 0 | 54 |
| Total 1997-99 Biennium | 9.5 | 0 | 1,681 |
| Difference from 1995-97 | 0.2 | 0 | 62 |
| % Change from 1995-97 | 2.2% | 0.0% | 3.8% |

Comments:

1. JCPP Meeting Costs - Funding is provided for rental costs of meeting facilities for the Joint Committee on Pension Policy (JCPP). (Department of Retirement Systems Expense Account)

2. Increase Staff to Full-Time - Funding is provided for a .2 FTE staff increase due to increased workload for the JCPP. (Department of Retirement Systems Expense Account)

3. Computer Replacement - Funding is provided for the replacement of computer hardware in order to have the same computer capability as the Legislative Service Center (LSC). (Department of Retirement Systems Expense Account)

4. Enhance Connection to LSC - Funding is provided for upgrading the data connection to the LSC for better computer processing service. (Department of Retirement Systems Expense Account)

1997-99 Budget
Joint Legislative Systems Committee
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 45.0 | 8,900 | 11,146 |
| 1997-99 Maintenance Level | 45.0 | 9,260 | 11,129 |
| Policy Changes: | | | |
| 1. Central Purchasing | 0.0 | 1,600 | 1,600 |
| Total Policy Changes | 0.0 | 1,600 | 1,600 |
| Total 1997-99 Biennium | 45.0 | 10,860 | 12,729 |
| Difference from 1995-97 | 0.0 | 1,960 | 1,583 |
| % Change from 1995-97 | 0.0% | 22.0% | 14.2% |

Comments:

1. Central Purchasing - Funding is provided to the Legislative Service Center to operate a central personal computer and software purchasing service for the Legislature.

1997-99 Budget
Statute Law Committee
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 54.0 | 6,432 | 9,048 |
| 1997-99 Maintenance Level | 54.0 | 6,872 | 9,754 |
| Policy Changes: | | | |
| 1. Transfer of computer purchasing | 0.0 | -108 | -108 |
| Total Policy Changes | 0.0 | -108 | -108 |
| Total 1997-99 Biennium | 54.0 | 6,764 | 9,646 |
| Difference from 1995-97 | 0.0 | 332 | 598 |
| % Change from 1995-97 | 0.0% | 5.2% | 6.6% |

Comments:

1. Transfer of computer purchasing - Funding is reduced due to the transfer of computer purchasing functions from the Statute Law Committee to the Legislative Systems Committee.

1997-99 Budget
Supreme Court
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 64.2 | 9,284 | 9,284 |
| 1997-99 Maintenance Level | 63.3 | 9,418 | 9,418 |
| Policy Changes: | | | |
| 1. Furniture Replacement | 0.0 | 51 | 51 |
| 2. General Inflation | 0.0 | -12 | -12 |
| Total Policy Changes | 0.0 | 39 | 39 |
| Total 1997-99 Biennium | 63.3 | 9,457 | 9,457 |
| Difference from 1995-97 | -0.9 | 173 | 173 |
| % Change from 1995-97 | -1.3% | 1.9% | 1.9% |

Comments:

1. Furniture Replacement - Provides one-time funding to replace 19 law clerk workstations. The ergonomically designed workstations will reduce wrist and back injuries and make more efficient use of office space to accommodate modern office equipment.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State Law Library
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 15.0 | 3,256 | 3,256 |
| 1997-99 Maintenance Level | 15.0 | 3,558 | 3,558 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -6 | -6 |
| Total Policy Changes | 0.0 | -6 | -6 |
| Total 1997-99 Biennium | 15.0 | 3,552 | 3,552 |
| Difference from 1995-97 | 0.0 | 296 | 296 |
| % Change from 1995-97 | 0.0% | 9.1% | 9.1% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Court of Appeals
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 133.0 | 19,186 | 19,186 |
| 1997-99 Maintenance Level | 136.1 | 19,691 | 19,691 |
| Policy Changes: | | | |
| 1. Pro-Tem Judges -- Division III | 0.0 | 10 | 10 |
| 2. General Inflation | 0.0 | -105 | -105 |
| 3. One Additional Judge and Support | 2.0 | 271 | 271 |
| 4. One-Time Remodel and Equipment | 0.0 | 490 | 490 |
| 5. Staff Salary Increments | 0.0 | 150 | 150 |
| Total Policy Changes | 2.0 | 816 | 816 |
| Total 1997-99 Biennium | 138.1 | 20,507 | 20,507 |
| Difference from 1995-97 | 5.2 | 1,321 | 1,321 |
| % Change from 1995-97 | 3.9% | 6.9% | 6.9% |

Comments:

1. Pro-Tem Judges -- Division III - Provides funding for pro-tempore judges for Division III in Spokane to sit on panels when other judges have a conflict.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. One Additional Judge and Support - Provides funding for one additional judge position in Division 1 and 3.0 FTE support staff, effective July 1, 1998.

4. One-Time Remodel and Equipment - Funds are provided to remodel Division 1 court facilities. The current space must be reconfigured to accommodate the new judge and staff.

5. Staff Salary Increments - Funds annual salary increments for staff who have not reached the top step in their salary range.

1997-99 Budget
Commission on Judicial Conduct
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 7.4 | 1,439 | 1,439 |
| 1997-99 Maintenance Level | 7.2 | 1,265 | 1,265 |
| Policy Changes: | | | |
| 1. Preservation of State Records | 0.0 | 16 | 16 |
| 2. Database Conversion | 0.0 | 30 | 30 |
| 3. General Inflation | 0.0 | -7 | -7 |
| Total Policy Changes | 0.0 | 39 | 39 |
| Total 1997-99 Biennium | 7.2 | 1,304 | 1,304 |
| Difference from 1995-97 | -0.2 | -135 | -135 |
| % Change from 1995-97 | -2.7% | -9.4% | -9.4% |

Comments:

1. Preservation of State Records - Provides one-time funding to comply with state laws governing the recovery and preservation of public records in an emergency.

2. Database Conversion - Funds a software upgrade from a DOS to a Windows operating system for managing the agency's data base that contains all its proceedings and cases.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Office of Administrator for Courts
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 306.7 | 24,225 | 74,569 |
| 1997-99 Maintenance Level | 313.5 | 25,125 | 61,834 |
| Policy Changes: | | | |
| 1. Juvenile Court IS Integration | 1.0 | 0 | 2,612 |
| 2. Appellate Database Integration | 0.0 | 0 | 375 |
| 3. Appellate Database Rewrite | 1.0 | 0 | 264 |
| 4. Electronic Documents Study | 0.0 | 0 | 200 |
| 5. DISCIS Data Entry Feasibility Study | 0.0 | 0 | 60 |
| 6. Courts Automated Proceeding System | 1.0 | 0 | 548 |
| 7. JIS Equipment Replacement | 0.0 | 0 | 4,000 |
| 8. Electronic Publication Distribution | 0.0 | 0 | 100 |
| 9. Automated Pro Se Information | 1.0 | 0 | 188 |
| 10. JIS DB2 Database Review and Upgrade | 1.0 | 0 | 408 |
| 11. Juvenile Court IS Backup Data | 0.0 | 0 | 110 |
| 12. Disaster Recovery Plan | 0.0 | 0 | 960 |
| 13. Electronic Judicial Order Sharing | 0.0 | 0 | 228 |
| 14. Misdemeanor Criminal History | 0.0 | 0 | 191 |
| 15. Expanded Law Agency Access to JIS | 0.0 | 0 | 522 |
| 16. Seattle Municipal DISCIS Conversion | 0.0 | 0 | 100 |
| 17. Snohomish Dist. DISCIS Conversion | 0.0 | 0 | 96 |
| 18. Year 2000 Conversion | 0.0 | 0 | 400 |
| 19. Court of Appeals LAN Support | 3.0 | 0 | 278 |
| 20. Transfer Snohomish Diversion | 0.0 | 0 | -258 |
| 21. General Inflation | 0.0 | -142 | -790 |
| 22. TASC Funding Increase | 0.0 | 0 | 100 |
| Total Policy Changes | 8.0 | -142 | 10,692 |
| Total 1997-99 Biennium | 321.5 | 24,983 | 72,526 |
| Difference from 1995-97 | 14.8 | 758 | -2,043 |
| % Change from 1995-97 | 4.8% | 3.1% | -2.7% |

Comments:

1. Juvenile Court IS Integration - Provides one-time funding for programming costs associated with integrating the Juvenile Information System (JUVIS) with the Judicial Information System (JIS) and Year 2000 date compliance. (Judicial Information Systems Account)

2. Appellate Database Integration - Provides one-time funding for programming costs associated with integrating the Appellate Court Docketing System (ACORDS) with the Judicial Information System and Year 2000 date compliance. (Judicial Information Systems Account)

3. Appellate Database Rewrite - Provides one-time funding to allow the Appellate Court Docketing System (ACORDS) to migrate from a mainframe computer to a local-area-network or personal-computer environment that will be more reliable and cheaper to maintain. (Judicial Information Systems Account)

4. Electronic Documents Study - Funds a one-time feasibility study to enable the courts and the Attorney General's Office to file routine court documents electronically with the Court of Appeals and Supreme Court. (Judicial Information Systems Account)

1997-99 Budget
Office of Administrator for Courts

- 5. DISCIS Data Entry Feasibility Study** - Funds a one-time feasibility study to enable local prosecutors and law enforcement agencies to upload infraction and misdemeanor data from local information systems into the District and Municipal Court Information System (DISCIS). (Judicial Information Systems Account)
- 6. Courts Automated Proceeding System** - Funding is provided for the training and installation of the new Courts Automated Proceeding System (CAPS) in 235 courts statewide. This case scheduling system will improve court operations. (Judicial Information Systems Account)
- 7. JIS Equipment Replacement** - Funding is provided to implement the second phase of the agency's schedule for replacing aging computer equipment in local courts. (Judicial Information Systems Account)
- 8. Electronic Publication Distribution** - One-time funding is provided to enable the Administrator of the Courts to make agency published manuals available electronically for judges and their staff by establishing access to the manuals via the Judicial Information System network. (Judicial Information Systems Account)
- 9. Automated Pro Se Information** - Funds a demonstration project to provide pro se litigants (litigants who act as their own attorneys) with electronic forms filing capability and information at courthouses and libraries, or through the Internet. Through an automated telephone system, standard forms may also be requested by court facilitators. (Judicial Information Systems Account)
- 10. JIS DB2 Database Review and Upgrade** - Provides funding for a review of the Judicial Information System data base structure to identify changes that will improve response time, ease of system maintenance, and provide 24-hour access. (Judicial Information Systems Account)
- 11. Juvenile Court IS Backup Data** - Provides funds for system improvements that provide uninterrupted access to information on juveniles' prior offense histories. (Judicial Information Systems Account)
- 12. Disaster Recovery Plan** - Provides funding to design and test a disaster recovery/business resumption plan. Employees will be trained in relevant procedures in the event that the centralized JIS computer system becomes inoperable and is unavailable for several days due to a disaster. (Judicial Information Systems Account)
- 13. Electronic Judicial Order Sharing** - Provides one-time funding to establish the capability to electronically transfer judicial orders (warrants or restraining orders) between the courts and other criminal justice agencies. (Judicial Information Systems Account)
- 14. Misdemeanor Criminal History** - One-time funding is provided to create the capacity to store on an indefinite basis misdemeanor and gross-misdemeanor criminal history records. Indefinite storage will help determine whether an offender has remained crime-free long enough to have prior felony convictions disregarded at a future felony sentencing hearing. (Judicial Information Systems Account)
- 15. Expanded Law Agency Access to JIS** - Provides funds for toll-free telephone access to JIS by local law enforcement agencies seeking criminal justice information. (Judicial Information Systems Account)
- 16. Seattle Municipal DISCIS Conversion** - Provides funding for a one-time study of the conversion of the Seattle Municipal Court's information system to District Court Information System (DISCIS). (Judicial Information Systems Account)
- 17. Snohomish Dist. DISCIS Conversion** - Provides funding for the conversion of the Snohomish County South District Court to the District Court Information System (DISCIS). The conversion will enable county and state sharing of court information. (Judicial Information Systems Account)
- 18. Year 2000 Conversion** - Provides funds for the replacement of vendor software that is out of compliance with Year 2000 standards and provides for needed software changes to ensure uninterrupted business operations. (Judicial Information Systems Account)

1997-99 Budget
Office of Administrator for Courts

19. Court of Appeals LAN Support - Provides funding for staff to provide on-site support for local area networks (LANs) at each Division of the Court of Appeals. (Judicial Information Systems Account)

20. Transfer Snohomish Diversion - The funding responsibility for the Snohomish County pre-prosecution diversion program is transferred to Snohomish County. (Public Safety and Education Account)

21. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

22. TASC Funding Increase - Provides funding to cover the increased cost of program operations. (Public Safety and Education Account)

* **Fund Shift** - Funding in the amount of \$1.2 million for information technology projects is shifted from the Public Safety and Education Account to Judicial Information Systems Account.

1997-99 Budget
Office of Public Defense
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 2.5 | 0 | 5,805 |
| 1997-99 Maintenance Level | 5.0 | 0 | 11,508 |
| Policy Changes: | | | |
| 1. Attorney Fees Increase | 0.0 | 0 | 688 |
| Total Policy Changes | 0.0 | 0 | 688 |
| Total 1997-99 Biennium | 5.0 | 0 | 12,196 |
| Difference from 1995-97 | 2.5 | 0 | 6,391 |
| % Change from 1995-97 | 100.0% | 0.0% | 110.1% |

Comments:

1. Attorney Fees Increase - Funding is provided to increase reimbursement for private attorneys providing constitutionally mandated indigent appellate defense in non-death penalty cases. Reimbursement is increased from \$1,900 per case to \$2,100 per case. (Public Safety and Education Account)

1997-99 Budget
Office of the Governor
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 47.9 | 8,823 | 9,048 |
| 1997-99 Maintenance Level | 60.9 | 9,745 | 10,817 |
| Policy Changes: | | | |
| 1. Action Team Technology Enhancement | 0.0 | 57 | 57 |
| 2. Puget Sound Work Plan | 0.0 | 479 | 479 |
| 3. General Inflation | 0.0 | -75 | -75 |
| 4. Law Enforcement Medal of Honor | 0.0 | 25 | 25 |
| 5. Puget Sound Education Grants | 0.0 | 0 | -184 |
| 6. Equipment Reduction | 0.0 | -21 | -21 |
| 7. Puget Sound Action Team - Reduction | 0.0 | -36 | -36 |
| 8. Executive Operations - Reduction | -1.0 | -154 | -154 |
| Total Policy Changes | -1.0 | 275 | 91 |
| Total 1997-99 Biennium | 59.9 | 10,020 | 10,908 |
| Difference from 1995-97 | 12.0 | 1,197 | 1,860 |
| % Change from 1995-97 | 25.1% | 13.6% | 20.6% |

Comments:

1. Action Team Technology Enhancement - Funding is provided for a wide-area network link between the Puget Sound Water Quality Action Team and the Governor's Office.

2. Puget Sound Work Plan - Funding is provided for expanded technical assistance to local governments and communities in the Puget Sound region.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Law Enforcement Medal of Honor - Funding is provided to the Law Enforcement Medal of Honor Committee to recognize qualified law enforcement officers as provided by Revised Code of Washington Chapter 41.72.

5. Puget Sound Education Grants - Funding is reduced for Public Information and Education (PIE) grants awarded by the Puget Sound Action Team.

6. Equipment Reduction - Funding is reduced for equipment purchases in the Office of the Family and Children's Ombudsman.

7. Puget Sound Action Team - Reduction - Funding is reduced for printing costs by eliminating 50 percent of the newsletters produced by the Puget Sound Water Quality Action Team.

8. Executive Operations - Reduction - Funding is reduced for one staff position and goods and services in the Governor's Office.

1997-99 Budget
Office of the Lieutenant Governor
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 3.0 | 501 | 501 |
| 1997-99 Maintenance Level | 3.0 | 512 | 512 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -3 | -3 |
| Total Policy Changes | 0.0 | -3 | -3 |
| Total 1997-99 Biennium | 3.0 | 509 | 509 |
| Difference from 1995-97 | 0.0 | 8 | 8 |
| % Change from 1995-97 | 0.0% | 1.6% | 1.6% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Public Disclosure Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 18.6 | 2,235 | 2,235 |
| 1997-99 Maintenance Level | 18.7 | 2,194 | 2,194 |
| Policy Changes: | | | |
| 1. Filer Assistance | 0.0 | 139 | 139 |
| 2. Compliance | 0.0 | 52 | 52 |
| 3. General Inflation | 0.0 | -7 | -7 |
| 4. Customer Technology Improvements | 0.0 | 239 | 239 |
| Total Policy Changes | 0.0 | 423 | 423 |
| Total 1997-99 Biennium | 18.7 | 2,617 | 2,617 |
| Difference from 1995-97 | 0.1 | 382 | 382 |
| % Change from 1995-97 | 0.5% | 17.1% | 17.1% |

Comments:

1. Filer Assistance - One-time funding is provided to implement electronic filing of financial affairs statements and lobbyist registrations.

2. Compliance - Additional funding is provided to the Public Disclosure Commission (PDC) to enable the agency to utilize Attorney General services at a level comparable to that experienced in the 1995-97 biennium.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Customer Technology Improvements - One-time funding is provided for customer service technology improvements including enhanced internet access, fax-on-demand technology, and personal computers and software compatible with the PDC's new imaging system.

1997-99 Budget
Office of the Secretary of State
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 123.2 | 17,093 | 25,552 |
| 1997-99 Maintenance Level | 133.9 | 14,203 | 24,049 |
| Policy Changes: | | | |
| 1. Charitable Trust Backlog | 1.0 | 179 | 179 |
| 2. International Education | 0.0 | 50 | 50 |
| 3. Eliminate Legal Advertising # | 0.0 | -125 | -125 |
| 4. General Inflation | 0.0 | -166 | -250 |
| 5. Census Block Boundary Program | 0.0 | 99 | 99 |
| 6. Local Elections Certification | -3.0 | -653 | -653 |
| Total Policy Changes | -2.0 | -616 | -700 |
| Total 1997-99 Biennium | 131.9 | 13,587 | 23,349 |
| Difference from 1995-97 | 8.7 | -3,506 | -2,203 |
| % Change from 1995-97 | 7.1% | -20.5% | -8.6% |

Comments:

1. Charitable Trust Backlog - Charitable trusts are required to file and register with the Secretary of State's Office. Funding and one staff person are provided to address the agency's nine month backlog of filings, trust registrations, and re-registrations.

2. International Education - Provides funding for the Secretary of State to foster international education, cultural, and business exchanges through the creation of a database to identify Washington students, interns, and citizens working overseas; international students who have studied at Washington educational institutions; and exchange opportunities for Washington residents who would like to participate in education, internships, or technical assistance programs.

3. Eliminate Legal Advertising # - Funding is reduced for the cost of advertising required for notice of elections on proposed state constitutional measures. This advertising duplicates information provided in the state Voter's Pamphlet and other public sources.

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

5. Census Block Boundary Program - Funding is provided to prepare for the state's participation in the United State's Census Voting District Project to update U.S. census precinct boundaries and to facilitate the upcoming census and redistricting processes.

6. Local Elections Certification - Funding is eliminated for the audit and certification of county election offices. Audits of each of the 39 counties will be completed in the 1995-97 biennium, and future audits are to be conducted on an as-needed basis within available resources or on a local reimbursement basis.

1997-99 Budget
Governor's Office of Indian Affairs
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 3.0 | 347 | 347 |
| 1997-99 Maintenance Level | 3.0 | 374 | 374 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -1 | -1 |
| Total Policy Changes | 0.0 | -1 | -1 |
| Total 1997-99 Biennium | 3.0 | 373 | 373 |
| Difference from 1995-97 | 0.0 | 26 | 26 |
| % Change from 1995-97 | 0.0% | 7.5% | 7.5% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Asian/Pacific-American Affrs
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 2.5 | 370 | 370 |
| 1997-99 Maintenance Level | 2.5 | 376 | 376 |
| Policy Changes: | | | |
| 1. Support Staff | 0.5 | 28 | 28 |
| 2. General Inflation | 0.0 | -3 | -3 |
| Total Policy Changes | 0.5 | 25 | 25 |
| Total 1997-99 Biennium | 3.0 | 401 | 401 |
| Difference from 1995-97 | 0.5 | 31 | 31 |
| % Change from 1995-97 | 20.0% | 8.4% | 8.4% |

Comments:

- 1. Support Staff** - Funding is provided for an additional .5 FTE clerical staff.
- 2. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Office of the State Treasurer
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 72.5 | 0 | 11,021 |
| 1997-99 Maintenance Level | 72.5 | 0 | 11,171 |
| Policy Changes: | | | |
| 1. Information Systems | 0.0 | 0 | 450 |
| 2. Technology Improvements | 0.0 | 0 | 20 |
| 3. General Inflation | 0.0 | 0 | -56 |
| Total Policy Changes | 0.0 | 0 | 414 |
| Total 1997-99 Biennium | 72.5 | 0 | 11,585 |
| Difference from 1995-97 | 0.0 | 0 | 564 |
| % Change from 1995-97 | 0.0% | 0.0% | 5.1% |

Comments:

1. Information Systems - Funding is provided to continue the development of a new treasury management system that began with a feasibility study in 1996. The amount provided reflects the first-year estimate for the design and development of a treasury management system to replace the existing state debt, investments, cash management, and treasury accounting systems. Additional funding will be requested in the 1998 supplemental operating budget to provide for second-year costs. (State Treasurer's Service Account)

2. Technology Improvements - Funding is provided for a data service connection to the statewide network operated by the Department of Information Services that will allow access to the statewide accounting system and enable the Treasurer's Office to share data with other agencies. Funding is also provided to repair phone and data lines. (State Treasurer's Service Account)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Office of the State Auditor
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 291.6 | 508 | 38,294 |
| 1997-99 Maintenance Level | 283.3 | 859 | 37,247 |
| Policy Changes: | | | |
| 1. Staff Increase | 10.0 | 0 | 1,000 |
| 2. Increase in Local Audits | 6.5 | 0 | 306 |
| 3. Special Request Audits | 0.0 | 0 | 624 |
| 4. Relocate Local Offices | 0.0 | 0 | 174 |
| 5. General Inflation | 0.0 | -3 | -148 |
| 6. Reduction in Audit Services | -2.0 | 0 | -230 |
| Total Policy Changes | 14.5 | -3 | 1,726 |
| Total 1997-99 Biennium | 297.8 | 856 | 38,973 |
| Difference from 1995-97 | 6.2 | 348 | 679 |
| % Change from 1995-97 | 2.1% | 68.5% | 1.8% |

Comments:

1. Staff Increase - Funds were provided in the 1995-97 biennium to automate the audit process. A reduction in staff and related savings were assumed to result from automation during the 1997-99 biennium. The pilot test did not meet the expectations of the State Auditor and project funding was returned to the state in the 1997 supplemental operating budget. Funding and the staff for on-going audit functions are restored. (State Audit Services Revolving Fund; Municipal Revolving Fund, Nonappropriated)

2. Increase in Local Audits - Funding and additional staff are provided for increased workload in local government audits. (Municipal Revolving Fund, Nonappropriated)

3. Special Request Audits - Funding is provided for special request audits from local municipalities. (Municipal Revolving Fund, Nonappropriated)

4. Relocate Local Offices - Funding is provided to allow local audit staff to lease their own office space. Currently, local offices of the State Auditor are located in office space shared with client agencies. (Municipal Revolving Fund, Nonappropriated)

5. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

6. Reduction in Audit Services - The number of audit hours on low-risk state agencies' issues are reduced as is the cost associated with conducting those audits. (Auditing Services Revolving Account)

1997-99 Budget
Comm Salaries for Elected Officials
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.3 | 67 | 67 |
| 1997-99 Maintenance Level | 0.3 | 66 | 66 |
| Total 1997-99 Biennium | 0.3 | 66 | 66 |
| Difference from 1995-97 | 0.0 | -1 | -1 |
| % Change from 1995-97 | 0.0% | -1.5% | -1.5% |

Comments:

1997-99 Budget
Office of the Attorney General
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------|----------------------|---------|
| 1995-97 Estimated Expenditures | 981.7 | 8,978 | 139,252 |
| 1997-99 Maintenance Level | 981.7 | 6,996 | 137,023 |
| Policy Changes: | | | |
| 1. Attorney Salary Increases | 0.0 | 0 | 998 |
| 2. Ecology Legal Services Demand | 3.0 | 0 | 710 |
| 3. DSHS Legal Services Demand | 2.0 | 0 | 240 |
| 4. Reduce Administration Funding | 0.0 | -50 | -50 |
| 5. Tort Defense Increase | 3.0 | 0 | 1,080 |
| 6. Additional Legal Services | 1.0 | 0 | 663 |
| 7. Motor Vehicle Warranties Act | 0.0 | 0 | -768 |
| 8. General Inflation | 0.0 | -71 | -1,179 |
| 9. Health Care Anti-Trust Monitoring | 0.0 | 0 | -152 |
| 10. SMART Program | 0.5 | 1,658 | 1,658 |
| 11. CRC Contractor Defense Costs | 0.0 | 0 | 250 |
| Total Policy Changes | 9.5 | 1,537 | 3,450 |
| Total 1997-99 Biennium | 991.2 | 8,533 | 140,473 |
| Difference from 1995-97 | 9.5 | -445 | 1,221 |
| % Change from 1995-97 | 1.0% | -5.0% | 0.9% |

Comments:

1. Attorney Salary Increases - Funding is provided for a special salary increase to retain assistant attorneys general with under ten years of legal experience. (Attorney General Salary Increase Revolving Account)

2. Ecology Legal Services Demand - Funding is provided for two additional attorneys and a legal secretary to help address an increasing workload. In early 1996, the Department of Ecology made over 500 decisions on pending water right applications. Of those decisions, 175 have been appealed. In addition, three water resources cases are before the appellate courts that will have major workload impact. (Legal Services Revolving Account)

3. DSHS Legal Services Demand - Funding is provided to address a significant increase in litigation. Two paralegal positions will be dedicated to preparing cases of termination of parental rights which will free up attorneys to handle more complex legal issues facing the agency. (Legal Services Revolving Account)

4. Reduce Administration Funding - Efficiency savings will be made in the agency's administrative functions.

5. Tort Defense Increase - Funds are provided to support three tort defense assistant attorneys general to investigate, resolve, and defend the state against lawsuits. In the past three years, lawsuits against the state have increased 50 percent. (Legal Services Revolving Account)

6. Additional Legal Services - Funding is provided to the Department of Labor and Industries, Office of Administrative Hearings, Public Disclosure Commission, and Office of Environmental Hearings for additional legal services. (Legal Services Revolving Account)

7. Motor Vehicle Warranties Act - Expenditures are reduced to meet available revenues in the New Motor Vehicle Arbitration Account. (New Motor Vehicle Arbitration Account)

8. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Office of the Attorney General

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9. Health Care Anti-Trust Monitoring - To bring expenditures into line with revenues, funding is eliminated for health care anti-trust activities. (Health Services Account - State)

10. SMART Program - Funding is provided to implement the provisions of SHB 1781 (Supervision Management and Recidivist Tracking (SMART) program). The SMART program will allow the Department of Corrections and local law enforcement agencies to share information through the Homicide Investigative Tracking System (HITS) concerning the activities of offenders on community supervision.

11. CRC Contractor Defense Costs - Funding is provided to meet the provisions of 2SHB 1938 (at-risk youth). The Office of the Attorney General will provide the legal defense of Crisis Residential Center contractors who are sued while performing their contractual duties for the state. (Legal Services Revolving Account)

1997-99 Budget
Dept of Financial Institutions
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 104.0 | 0 | 13,940 |
| 1997-99 Maintenance Level | 109.5 | 0 | 14,697 |
| Policy Changes: | | | |
| 1. Securities Enforcement Enhancement | 4.0 | 0 | 460 |
| 2. Administration & Technology Package | 2.0 | 0 | 496 |
| 3. License Suspension # | 0.7 | 0 | 102 |
| 4. General Inflation | 0.0 | 0 | -62 |
| Total Policy Changes | 6.7 | 0 | 996 |
| Total 1997-99 Biennium | 116.2 | 0 | 15,693 |
| Difference from 1995-97 | 12.2 | 0 | 1,753 |
| % Change from 1995-97 | 11.7% | 0.0% | 12.6% |

Comments:

1. Securities Enforcement Enhancement - Funding is provided for increased securities enforcement. Of the total amount, \$4,000 is provided for one-time costs in Fiscal Year 1998. (Securities Regulation Account)

2. Administration & Technology Package - Funding is provided to develop business technology applications and automate internal office applications. One-time funds of \$216,000 are provided for the development of the new applications. (Securities Regulation Account, Banking Examination Account, Credit Unions Examination Account)

3. License Suspension # - Funding is provided for the additional workload associated with the license suspension requirement of the Personal Responsibility and Work Opportunity Act of 1996. (Securities Regulation Account, Banking Examination Account)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Dept Community, Trade, & Econ Dev
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 331.4 | 105,116 | 298,121 |
| 1997-99 Maintenance Level | 328.8 | 110,153 | 300,408 |
| Policy Changes: | | | |
| 1. Pass-through Funds Reduction | 0.0 | 0 | -2,894 |
| 2. General Inflation | 0.0 | -291 | -453 |
| 3. Land Use Study - Buildable Lands # | 1.0 | 3,500 | 3,500 |
| 4. Community Mobilization | 0.0 | 0 | -3,403 |
| 5. Washington Technology Center | 0.0 | 500 | 500 |
| 6. Long-Term Care Ombudsman | 0.0 | 100 | 100 |
| 7. Olympic Games | 0.0 | 35 | 35 |
| 8. Reduce Energy Policy Activities | -2.0 | -390 | -390 |
| 9. CASA/GAL | 0.0 | 600 | 600 |
| 10. Biotechnology Conference | 0.0 | 75 | 75 |
| 11. Community Connections Project | 0.0 | 150 | 150 |
| 12. Long-Term Care Ombudsman | 0.0 | 300 | 300 |
| 13. Regulatory Reform | 1.5 | 222 | 222 |
| 14. Domestic Violence Legal Advocacy | 0.0 | 0 | 423 |
| 15. ECEAP Vendor Rate | 0.0 | 1,286 | 1,286 |
| 16. Community Investment Unit | 2.0 | 0 | 445 |
| 17. Community Development Finance | -2.0 | -247 | -247 |
| 18. Director's Office Staffing | -1.0 | -90 | -90 |
| 19. Space Reduction | 0.0 | -48 | -48 |
| 20. Regulatory Reform Efficiency | -0.2 | -33 | -33 |
| 21. CERB Support | 0.0 | -96 | 0 |
| 22. Energy Strategy Reduction | 0.0 | -30 | -30 |
| 23. Employee Ownership | -1.0 | -133 | -133 |
| 24. Economic Dev Advocacy | -1.0 | -165 | -165 |
| 25. Business Loans Mgmt Efficiency | -1.0 | -81 | -81 |
| 26. International Trade | 0.0 | -274 | -274 |
| 27. Foodstamp Outreach | 0.0 | -300 | 0 |
| 28. Growth Management Grants | 0.0 | -968 | -968 |
| 29. Re-Employment Support Center | 0.0 | -121 | -121 |
| 30. Safe Drinking Water | 4.8 | 0 | 1,065 |
| 31. Public Works - Financial Management | 0.0 | 0 | 450 |
| Total Policy Changes | 1.1 | 3,501 | -179 |
| Total 1997-99 Biennium | 329.8 | 113,654 | 300,229 |
| Difference from 1995-97 | -1.6 | 8,538 | 2,108 |
| % Change from 1995-97 | -0.5% | 8.1% | 0.7% |

Comments:

1. Pass-through Funds Reduction - Funds are reduced for mobile home relocation assistance and Hanford area economic development assistance consistent with available revenues projected for the 1997-99 Biennium. (Mobile Home Park Relocation Account, Hanford Area Economic Investment Account)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Land Use Study - Buildable Lands # - Funding is provided to counties and cities to evaluate the progress toward meeting the goals of the Growth Management Act as required by 2SHB 2244 (land use study commission recommendations).

1997-99 Budget
Dept Community, Trade, & Econ Dev

- 4. Community Mobilization** - Eliminates the program to bring the Violence Reduction and Drug Enforcement Account expenditures into compliance with available revenues. (Violence Reduction and Drug Enforcement Account)
- 5. Washington Technology Center** - Provides funding for the Washington Technology Center to increase the number of research and development projects that can be conducted in conjunction with private sector partners.
- 6. Long-Term Care Ombudsman** - Funding is provided for the additional workload associated with the oversight responsibilities for persons with developmental disabilities as required by 2SHB 1752 (developmental disabilities ombudsman).
- 7. Olympic Games** - Provides funding for the continued study of the feasibility of hosting the Olympic Games in the Washington, Oregon, Idaho and British Columbia region.
- 8. Reduce Energy Policy Activities** - Reduces funding and 2.0 FTE staff positions in the Energy Policy Unit. Remaining staff in the unit and in the agency will absorb any remaining responsibilities.
- 9. CASA/GAL** - Funding is provided to train volunteer Court Appointed Special Advocates or Guardian Ad Litem to represent children in dependency court proceedings. These volunteers are responsible for monitoring court orders for timely and permanent placement as well as prompt delivery of services for children.
- 10. Biotechnology Conference** - Funds state participation in the sponsorship of the Biotechnology Industry Organization's biotechnology conference to be held in Seattle, at the Washington State Convention Center in May 1999.
- 11. Community Connections Project** - Funding is provided to continue the Walla Walla Community Connections program that serves at-risk youth and families.
- 12. Long-Term Care Ombudsman** - Provides funding for long-term care ombudsman services to be extended to underserved areas of the state. (General Fund-Federal)
- 13. Regulatory Reform** - Funding is provided to implement the provisions of E2SHB 1032 (Regulatory Reform).
- 14. Domestic Violence Legal Advocacy** - Additional funding from the federal Department of Justice Byrne Grant will provide for more legal advocacy services to victims of domestic violence. (General Fund-Federal)
- 15. ECEAP Vendor Rate** - Funds a 3 percent vendor rate increase effective July 1, 1997 for Early Childhood Education and Assistance program (ECEAP) providers.
- 16. Community Investment Unit** - Funds to administer the Public Works Trust Fund program are shifted from the capital budget to the operating budget. (Public Facility Construction Loan Revolving Account, Public Works Assistance Account)
- 17. Community Development Finance** - Two positions in the program are eliminated and funding is reduced for state technical assistance to local banks and local development organizations.
- 18. Director's Office Staffing** - One position is eliminated through attrition in the Director's office.
- 19. Space Reduction** - Leased space is reduced as an efficiency measure in the Westin Building in Seattle.
- 20. Regulatory Reform Efficiency** - Program staff will absorb part of the regulatory reform activities that were being handled by the Local Development Assistance Service Area for the benefit of the total agency.
- 21. CERB Support** - Support for the Community Economic Revitalization Board's operations is shifted from the state general fund to the Public Facilities Construction Loan Revolving Fund. (Public Facilities Construction Loan Revolving Fund)

1997-99 Budget
Dept Community, Trade, & Econ Dev

22. Energy Strategy Reduction - Agency staff will absorb the work associated with revising the Washington State Energy Strategy document rather than contracting out for services.

23. Employee Ownership - The Employee Ownership program is eliminated. Small and medium-sized businesses will have to rely on private sector consulting in circumstances where business ownership is to be transferred to the employees.

24. Economic Dev Advocacy - An exempt position responsible for economic policy development is eliminated.

25. Business Loans Mgmt Efficiency - As an efficiency measure and through improved technology, one position is eliminated from the Loan Portfolio Management program and the associated workload will be absorbed by other staff in the program.

26. International Trade - The International Trade unit is reconfigured and the focus is shifted from providing technical assistance to individual companies to increasing marketing and government relations activities. The Russian Far East and European offices are eliminated as is the Local Trade Assistance Network.

27. Foodstamp Outreach - Restores funding to continue the outreach activities to assist eligible needy individuals receive foodstamps.

28. Growth Management Grants - Incentive grants provided to local governments for exploring solutions to growth management problems are reduced by approximately 60 percent.

29. Re-Employment Support Center - State funding for the Re-employment Support Center in King County is eliminated. Services are continued and supported from non-state sources of funds.

30. Safe Drinking Water - Provides staff and funding to handle the financing responsibilities of the federal Safe Drinking Water Act. The federal government has provided funding to improve the state's water systems. The Department of Community, Trade, and Economic Development (CTED) will operate a state revolving fund to finance these improvements. (General Fund-Federal)

31. Public Works - Financial Management - Provides funding for the purchase of updated financial management software to assist the Department in managing its \$800 million loan portfolio. (Public Works Assistance Account)

1997-99 Budget
Economic & Revenue Forecast Council
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 6.5 | 1,015 | 1,015 |
| 1997-99 Maintenance Level | 5.2 | 910 | 910 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -5 | -5 |
| Total Policy Changes | 0.0 | -5 | -5 |
| Total 1997-99 Biennium | 5.2 | 905 | 905 |
| Difference from 1995-97 | -1.3 | -110 | -110 |
| % Change from 1995-97 | -20.0% | -10.8% | -10.8% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Office of Financial Management
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 179.0 | 19,506 | 56,103 |
| 1997-99 Maintenance Level | 179.2 | 19,590 | 54,821 |
| Policy Changes: | | | |
| 1. AmeriCorps Federal Requirements | 0.0 | 210 | 0 |
| 2. 2000 Census Workload | 1.0 | 131 | 131 |
| 3. Population Survey | 0.0 | 275 | 275 |
| 4. Performance Measure System | 0.7 | 89 | 89 |
| 5. Acceptance Testing | 1.0 | 0 | 114 |
| 6. Budget and Allotment System | 2.0 | 0 | 462 |
| 7. Information Systems Enhancements | 0.0 | 0 | 1,150 |
| 8. Replace Health Services Account | 0.0 | 0 | -339 |
| 9. General Inflation | 0.0 | -107 | -120 |
| 10. K-20 Network Governance | 2.5 | 250 | 250 |
| 11. Regulatory Reform | 3.8 | 443 | 443 |
| 12. Decrease Contract Services | 0.0 | -150 | -150 |
| 13. Staff Reductions | -2.7 | -344 | -344 |
| Total Policy Changes | 8.2 | 797 | 1,961 |
| Total 1997-99 Biennium | 187.4 | 20,387 | 56,782 |
| Difference from 1995-97 | 8.4 | 881 | 679 |
| % Change from 1995-97 | 4.7% | 4.5% | 1.2% |

Comments:

1. AmeriCorps Federal Requirements - Funding is provided to assist local programs in distressed areas meet increased federal match requirements.

2. 2000 Census Workload - Recent restructuring within the federal Census Bureau requires states to perform additional duties related to the 2000 Decennial Census. One full-time demographer is added to address the increased workload.

3. Population Survey - Funding is provided to contract for a new biennial survey of Washington State's population. Federal intercensal surveys provide regional data and Washington is grouped with California and other states. As a result, the federal data do not accurately reflect Washington's social and demographic characteristics. The survey will provide Washington-specific data which will be used in all population and budget forecasts prepared by OFM.

4. Performance Measure System - Funding is provided for the continued implementation of a statewide system of performance measures. Staff and funds are provided for software development and ongoing costs of a computer system for tracking performance measures.

5. Acceptance Testing - Changes to statewide accounting systems require extensive testing to ensure that the changes are accepted by all interfacing systems. An additional staff position is provided to streamline the acceptance testing procedure. (Data Processing Revolving Account-Nonappropriated)

6. Budget and Allotment System - The current budget and allotment systems are being evaluated and alternatives are under consideration. Staff and funding for contractors and software are provided to complete allotment system improvements and to redevelop the budgeting systems. (Data Processing Revolving Account-Nonappropriated)

1997-99 Budget
Office of Financial Management

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8:36 am

7. Information Systems Enhancements - Funds are provided to improve the agency's statewide budget and accounting systems. OFM will contract to develop new input processes for the Agency Financial Reporting System (AFRS) and to modernize the system's reporting processes to make it more user friendly. This funding also provides for a feasibility study to upgrade AFRS to a relational database platform and improvements in the accounts receivable system. Agency training in statewide accounting policies and systems is also included. (Data Processing Revolving Account-Nonappropriated)

8. Replace Health Services Account - Funding is eliminated for forecasting activities related to health care reform. (Health Services Account)

9. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

10. K-20 Network Governance - Funding and staff are provided to support the K-20 Governance Committee as required by SHB 1698 (K-20 telecommunications network).

11. Regulatory Reform - Funding is provided to implement the provisions of E2SHB 1032 (Regulatory Reform).

12. Decrease Contract Services - Funding is reduced for the contract with the Washington Association of Sheriffs and Police Chiefs (WASPC) for the collection of jail population data.

13. Staff Reductions - Staff savings are achieved through vacancies and attrition.

1997-99 Budget
Office of Administrative Hearings
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 131.7 | 0 | 15,114 |
| 1997-99 Maintenance Level | 137.2 | 0 | 17,654 |
| Policy Changes: | | | |
| 1. Technology Plan | 0.0 | 0 | 195 |
| 2. Legal Education Credits | 0.0 | 0 | 46 |
| 3. DSHS Program Change | 0.5 | 0 | 45 |
| 4. License Suspension # | 11.8 | 0 | 1,798 |
| 5. General Inflation | 0.0 | 0 | -73 |
| Total Policy Changes | 12.3 | 0 | 2,011 |
| Total 1997-99 Biennium | 149.5 | 0 | 19,665 |
| Difference from 1995-97 | 17.8 | 0 | 4,551 |
| % Change from 1995-97 | 13.5% | 0.0% | 30.1% |

Comments:

1. Technology Plan - Funding is provided for technology improvements including computers, server upgrades, and \$65,000 for the interface with the Employment Security Department. (Administrative Hearings Revolving Account)

2. Legal Education Credits - Funding is provided for continuing legal credits for administrative law judges at the Office of Administrative Hearings. (Administrative Hearings Revolving Account)

3. DSHS Program Change - Funding is provided for an additional 0.5 FTE staff to implement an audit finding that the responsibility for billing and paying for goods and services should shift from the Department of Social and Health Services to the Office of Administrative Hearings. (Administrative Hearings Revolving Account)

4. License Suspension # - Funding is provided for license suspension hearings anticipated as a result of implementing the license suspension provision of the Personal Responsibility and Work Opportunity Act of 1996. (Administrative Hearings Revolving Account)

5. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Department of Personnel
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 212.1 | 720 | 30,591 |
| 1997-99 Maintenance Level | 213.1 | 0 | 27,485 |
| Policy Changes: | | | |
| 1. Career Transition Continued Funding | 2.0 | 0 | 500 |
| 2. Facility Remodel/Relocate | 0.0 | 0 | 220 |
| 3. Data Warehouse Enhancements | 0.0 | 0 | 800 |
| 4. General Inflation | 0.0 | 0 | -221 |
| Total Policy Changes | 2.0 | 0 | 1,299 |
| Total 1997-99 Biennium | 215.1 | 0 | 28,784 |
| Difference from 1995-97 | 3.0 | -720 | -1,807 |
| % Change from 1995-97 | 1.4% | -100.0% | -5.9% |

Comments:

1. Career Transition Continued Funding - Funding is provided to continue the state's career transition service. The career transition center will provide outplacement counseling, skills assessments, retraining resources, resume preparation assistance, interviewing techniques and other related job seeking skills for state employees who are either being laid off or at risk of reduction-in-force (RIF). Refinement is targeted for the areas of strengthening comprehensive training efforts among participating employees and hiring agencies and improving the RIF transition pool matching process so that it aligns employees and recruited positions more successfully. The Department of Personnel will begin to measure customer satisfaction associated with the program services. (Personnel Services Revolving Fund)

2. Facility Remodel/Relocate - Funding is provided to temporarily relocate Department of Personnel staff and services while the Franklin Street building is being renovated. (Personnel Services Revolving Fund)

3. Data Warehouse Enhancements - Funding is provided for the expansion of the data warehouse on the statewide work force and to provide the Office of Financial Management, Legislature, and state agencies with direct access to this expanded data for policy and planning purposes. Additional funding will be requested for completion of this project in the 1999-01. Further funding requests for a human resource information system will be based on an updated feasibility study which documents the costs and benefits of the system. (Personnel Services Revolving Fund)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State Lottery Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------|----------------------|---------|
| 1995-97 Estimated Expenditures | 141.0 | 0 | 466,202 |
| 1997-99 Maintenance Level | 139.0 | 0 | 675,640 |
| Policy Changes: | | | |
| 1. Business Process Redesign | 2.0 | 0 | 211 |
| 2. New On-line Game | 3.0 | 0 | 12,816 |
| 3. General Inflation | 0.0 | 0 | -105 |
| Total Policy Changes | 5.0 | 0 | 12,922 |
| Total 1997-99 Biennium | 144.0 | 0 | 688,562 |
| Difference from 1995-97 | 3.0 | 0 | 222,360 |
| % Change from 1995-97 | 2.1% | 0.0% | 47.7% |

Comments:

1. Business Process Redesign - Funding is provided for a retail training coordinator and a gambling license technician.
(Lottery Administrative Account-State)

2. New On-line Game - Funding is provided to develop and market a new on-line game. The new game is expected to increase the Lottery's transfer to the state General Fund by \$7 million in the 1997-99 Biennium and \$16.5 million in the 1999-01 Biennium. The additional 3.0 FTE staff include: a customer service specialist, a product specialist, and a computer information consultant.
(Lottery Administrative Account - State)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Washington State Gambling Comm
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 158.5 | 1,000 | 19,914 |
| 1997-99 Maintenance Level | 144.5 | 0 | 18,086 |
| Policy Changes: | | | |
| 1. Computer and Communication Upgrade | 0.0 | 0 | 542 |
| 2. Tribal Casino Regulation | 1.0 | 0 | 160 |
| 3. General Inflation | 0.0 | 0 | -139 |
| Total Policy Changes | 1.0 | 0 | 563 |
| Total 1997-99 Biennium | 145.5 | 0 | 18,649 |
| Difference from 1995-97 | -13.0 | -1,000 | -1,265 |
| % Change from 1995-97 | -8.2% | -100.0% | -6.4% |

Comments:

1. Computer and Communication Upgrade - Funding is provided for new computers, a processor upgrade, and improvements to the telephone system. (Gambling Revolving Account-Nonappropriated)

2. Tribal Casino Regulation - Funding is provided for a gambling license technician, training, and remote telecommunications equipment. (Gambling Revolving Account-Nonappropriated)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
WA State Comm on Hispanic Affairs
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 3.3 | 416 | 416 |
| 1997-99 Maintenance Level | 3.3 | 403 | 403 |
| Policy Changes: | | | |
| 1. Computer Upgrades | 0.0 | 7 | 7 |
| 2. General Inflation | 0.0 | -3 | -3 |
| Total Policy Changes | 0.0 | 4 | 4 |
| Total 1997-99 Biennium | 3.3 | 407 | 407 |
| Difference from 1995-97 | 0.0 | -9 | -9 |
| % Change from 1995-97 | 0.0% | -2.2% | -2.2% |

Comments:

1. Computer Upgrades - Funding is provided for a computer and associated software to perform database functions and required budget and policy work.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
African-American Affairs Comm
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 2.7 | 311 | 311 |
| 1997-99 Maintenance Level | 2.7 | 318 | 318 |
| Policy Changes: | | | |
| 1. Staff Increase | 0.3 | 18 | 18 |
| 2. General Inflation | 0.0 | -2 | -2 |
| 3. Computer Upgrades | 0.0 | 4 | 4 |
| Total Policy Changes | 0.3 | 20 | 20 |
| Total 1997-99 Biennium | 3.0 | 338 | 338 |
| Difference from 1995-97 | 0.3 | 27 | 27 |
| % Change from 1995-97 | 11.1% | 8.7% | 8.7% |

Comments:

- 1. Staff Increase** - Funding is provided for an additional .3 FTE clerical staff.
- 2. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 3. Computer Upgrades** - Funding is provided for a computer and associated software to perform database functions and required policy and budget operations.

1997-99 Budget
Personnel Appeals Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 10.5 | 0 | 1,636 |
| 1997-99 Maintenance Level | 11.0 | 0 | 1,651 |
| Policy Changes: | | | |
| 1. Funding Level Adjustment | 0.0 | 0 | -100 |
| 2. General Inflation | 0.0 | 0 | -12 |
| Total Policy Changes | 0.0 | 0 | -112 |
| Total 1997-99 Biennium | 11.0 | 0 | 1,539 |
| Difference from 1995-97 | 0.5 | 0 | -97 |
| % Change from 1995-97 | 4.8% | 0.0% | -5.9% |

Comments:

1. Funding Level Adjustment - Funding is adjusted to reflect actual ongoing agency expenditures. During the 1993-95 and 1995-97 biennia, the Personnel Appeals Board consistently spent less than their appropriation. (Personnel Services Revolving Fund)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Department of Retirement Systems
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------------|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 243.0 | 0 | 33,328 |
| 1997-99 Maintenance Level | 235.1 | 0 | 31,736 |
| Policy Changes: | | | |
| 1. One-Time TRS Plan 3 Support | 0.0 | 0 | 275 |
| 2. Ongoing TRS Plan 3 Support | 0.0 | 0 | 25 |
| 3. Electronic Document Imaging System | 0.0 | 0 | 1,373 |
| 4. Receivables Management System | 5.3 | 0 | 1,259 |
| 5. Additional Employer Auditors | 2.0 | 0 | 230 |
| 6. General Inflation | 0.0 | 0 | -163 |
| Total Policy Changes | 7.3 | 0 | 2,999 |
| Total 1997-99 Biennium | 242.4 | 0 | 34,735 |
| Difference from 1995-97 | -0.6 | 0 | 1,407 |
| % Change from 1995-97 | -0.2% | 0.0% | 4.2% |

Comments:

1. One-Time TRS Plan 3 Support - Funding is provided for one-time contract services for the Teachers' Retirement System (TRS) to set up optional benefit payouts and annuity purchases for TRS Plan 3 members. These services are statutorily required and the fiscal impact was not originally accounted for in the initial agency fiscal note or agency appropriation. (Department of Retirement Systems Expense Account)

2. Ongoing TRS Plan 3 Support - Funding is provided for additional ongoing costs to support continued annuity payouts for TRS Plan 3 members. These services are statutorily required and the fiscal impact was not originally accounted for in the initial agency fiscal note or agency appropriation. (Department of Retirement Systems Expense Account)

3. Electronic Document Imaging System - Funding is provided to acquire equipment and contracted services to begin implementation of an Electronic Document Image Management System (EDIMS) that will replace the current member paper file folder system. EDIMS will allow the agency to improve client service by improving the access and sharing of data, reducing the costs for storing and handling paper documents, and improving security, disaster recovery, and archiving capabilities of agency data. The project will start in Fiscal Year 1999 and additional funds will be requested to complete the project. By December 15, 1997, the department will submit to OFM and the fiscal committees of the legislatures an updated feasibility study that will outline all projected costs and benefits of the system. (Department of Retirement Systems Expense Account)

4. Receivables Management System - Funding is provided for the development and implementation of a receivables management system. Receivables management is the only area of activity not integrated with the rest of the agency's business processing systems. This project is the last phase of the business system consolidation and re-engineering efforts that began in 1990 and will be completed by the end of the 1997-99 Biennium. (Department of Retirement Systems Expense Account)

5. Additional Employer Auditors - Funding and FTE staff are provided for two additional audit positions. The new positions allow the agency to conduct audits in a more timely manner, to identify and recover additional monies due to the pension trust funds, and to conduct audits on previously unaudited employers including most of the larger cities and school districts. The anticipated annual recovery and return to the trust fund is estimated to be \$160,000 per additional auditor. (Department of Retirement Systems Expense Account)

6. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State Investment Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|------|----------------------|--------|
| 1995-97 Estimated Expenditures | 44.3 | 0 | 8,688 |
| 1997-99 Maintenance Level | 44.3 | 0 | 9,439 |
| Policy Changes: | | | |
| 1. Workload Enhancements | 2.5 | 0 | 405 |
| 2. Deferred Contributions Assistance | 0.5 | 0 | 64 |
| 3. Investment Accountability | 1.0 | 0 | 471 |
| 4. General Inflation | 0.0 | 0 | -55 |
| Total Policy Changes | 4.0 | 0 | 885 |
| Total 1997-99 Biennium | 48.3 | 0 | 10,324 |
| Difference from 1995-97 | 4.0 | 0 | 1,636 |
| % Change from 1995-97 | 9.0% | 0.0% | 18.8% |

Comments:

1. Workload Enhancements - Funding is provided for workload increases in the Fixed Income Unit at the State Investment Board (SIB). One-time funding of \$13,000 is provided in the first fiscal year for equipment. (State Investment Board Expense Account)

2. Deferred Contributions Assistance - Funding is provided for a .5 FTE information officer to respond to inquiries concerning the Teacher Retirement System's III portfolio managed by the State Investment Board. One-time funding of \$4,000 is provided in the first fiscal year for equipment. (State Investment Board Expense Account)

3. Investment Accountability - Funding is provided for an internal auditor, a contract for a fiduciary counsel, and expenses related to on-site investment activities. One-time funding of \$5,000 is provided in the first fiscal year for equipment. (State Investment Board Expense Account)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Department of Revenue
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 1,026.7 | 130,024 | 138,320 |
| 1997-99 Maintenance Level | 1,030.3 | 133,024 | 141,453 |
| Policy Changes: | | | |
| 1. Taxpayer Telephone Services | 3.0 | 221 | 221 |
| 2. Property Tax Valuation Schedules | 0.5 | 73 | 73 |
| 3. State Toxics Revenue Shortfall | 0.0 | 0 | -2 |
| 4. Pollution Liability Funding | 0.0 | 0 | -244 |
| 5. Administrative Efficiencies | -2.6 | -475 | -475 |
| 6. Selective Program Reductions | -5.2 | -532 | -532 |
| 7. General Inflation | 0.0 | -851 | -925 |
| 8. Transfer Tobacco Enforcement to LCB | -0.7 | -60 | -60 |
| 9. Regulatory Reform | 4.0 | 450 | 450 |
| 10. Increasing Small Business Credit | 0.5 | 44 | 44 |
| 11. Use Tax on Electricity | 1.0 | 106 | 106 |
| 12. Reimbursing for Tax Collection | 1.0 | 200 | 200 |
| 13. Economic Development Program | 0.8 | 71 | 71 |
| 14. Limiting Property Taxes | 5.0 | 530 | 530 |
| 15. Sr. Citizens Property Tax | 0.0 | -947 | -947 |
| 16. SHB 2080 Agricultural Lands | 0.0 | 70 | 70 |
| Total Policy Changes | 7.3 | -1,100 | -1,420 |
| Total 1997-99 Biennium | 1,037.6 | 131,924 | 140,033 |
| Difference from 1995-97 | 10.9 | 1,900 | 1,713 |
| % Change from 1995-97 | 1.1% | 1.5% | 1.2% |

Comments:

1. Taxpayer Telephone Services - Funding is provided for three additional staff in the Department's Telephone Information Center to assist Washington taxpayers.

2. Property Tax Valuation Schedules - Funding is provided for a .5 FTE staff to update property tax valuation schedules.

3. State Toxics Revenue Shortfall - Funding is reduced from the State Toxics Control Account due to declining revenues. (State Toxics Control Account)

4. Pollution Liability Funding - Funding is eliminated for the Pollution Liability Account during the 1997-99 Biennium since the agency does not anticipate collecting the petroleum tax that supports the account. (Pollution Liability Insurance Program Trust Account)

5. Administrative Efficiencies - Funding is reduced due to administrative efficiencies realized by job redesign and service quality efforts.

6. Selective Program Reductions - Funding is reduced due to service level reductions in the agency's taxpayer appeals, taxpayer services, computer support, internal audit, research, and rules writing functions.

7. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

8. Transfer Tobacco Enforcement to LCB - Funding is reduced as a result of implementing HB 2272, which transfers cigarette and tobacco tax enforcement to the Liquor Control Board.

**1997-99 Budget
Department of Revenue**

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- 9. Regulatory Reform** - Funding is provided for the implementation of E2SHB 1032 (Regulatory Reform).
- 10. Increasing Small Business Credit** - Funding is provided for the implementation of HB 1689 (Small Business Tax Relief).
- 11. Use Tax on Electricity** - Funding is provided for the implementation of SHB 1346 (Electricity Use Tax). Funds are provided for computer programming changes, computer software, and mailings.
- 12. Reimbursing for Tax Collection** - Funding is provided for the implementation of ESHB 1327 (Sales Tax Collection Reimbursement). Funds are for rule notifications and special notices to educate sellers about the new reimbursement policy.
- 13. Economic Development Program** - Funding is provided for the implementation of SHB 1283 (Economic Development Programs). Provides funding to set up a processing and approval program for a B&O tax credit.
- 14. Limiting Property Taxes** - Funding is provided for the implementation of SB 5835 (Property Tax Limitation). Provides funding for a new ratio calculation that requires computer programming changes and rule changes.
- 15. Sr. Citizens Property Tax** - Funding is reduced for the senior citizens property tax deferral program due to a lower forecast of program costs.
- 16. SHB 2080 Agricultural Lands** - Funding is provided for the implementation of 2SHB 2080 (Agriculture Land Classification).

1997-99 Budget
Board of Tax Appeals
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 9.4 | 2,034 | 2,034 |
| 1997-99 Maintenance Level | 9.4 | 2,043 | 2,043 |
| Policy Changes: | | | |
| 1. Tax Referee Position Savings | 1.0 | -260 | -260 |
| 2. General Inflation | 0.0 | -9 | -9 |
| Total Policy Changes | 1.0 | -269 | -269 |
| Total 1997-99 Biennium | 10.4 | 1,774 | 1,774 |
| Difference from 1995-97 | 1.0 | -260 | -260 |
| % Change from 1995-97 | 10.6% | -12.8% | -12.8% |

Comments:

1. Tax Referee Position Savings - Funding is reduced to reflect savings realized by restoring an in-house tax referee position to handle complex appeals.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Municipal Research Council
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 3,230 | 3,230 |
| 1997-99 Maintenance Level | 0.0 | 3,394 | 3,394 |
| Total 1997-99 Biennium | 0.0 | 3,394 | 3,394 |
| Difference from 1995-97 | 0.0 | 164 | 164 |
| % Change from 1995-97 | 0.0% | 5.1% | 5.1% |

Comments:

1997-99 Budget
Minority & Women's Business Enterp
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 20.0 | 0 | 2,226 |
| 1997-99 Maintenance Level | 20.0 | 0 | 2,377 |
| Policy Changes: | | | |
| 1. Staff Training & Education | 0.0 | 0 | 2 |
| 2. General Inflation | 0.0 | 0 | -10 |
| Total Policy Changes | 0.0 | 0 | -8 |
| Total 1997-99 Biennium | 20.0 | 0 | 2,369 |
| Difference from 1995-97 | 0.0 | 0 | 143 |
| % Change from 1995-97 | 0.0% | 0.0% | 6.4% |

Comments:

- 1. Staff Training & Education** - Funding is provided for staff training. (Minority and Women's Business Enterprises Account)
- 2. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Dept of General Administration
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------|----------------------|---------|
| 1995-97 Estimated Expenditures | 590.8 | 3,082 | 111,376 |
| 1997-99 Maintenance Level | 580.2 | 592 | 115,794 |
| Policy Changes: | | | |
| 1. Commute Trip Reduction Funding | 0.0 | 0 | 278 |
| 2. Risk Management Workload | 1.0 | 0 | 233 |
| 3. Maintain State Food Purchases | 0.0 | 2,000 | 2,000 |
| 4. Air Pollution Control Shortfall | 0.0 | 0 | -7 |
| 5. Americans with Disabilities Act | 0.0 | -30 | -30 |
| 6. Campus Security/Maintenance | 0.0 | 0 | -213 |
| 7. General Inflation | 0.0 | -7 | -1,892 |
| Total Policy Changes | 1.0 | 1,963 | 369 |
| Total 1997-99 Biennium | 581.2 | 2,555 | 116,163 |
| Difference from 1995-97 | -9.6 | -527 | 4,787 |
| % Change from 1995-97 | -1.6% | -17.1% | 4.3% |

Comments:

1. Commute Trip Reduction Funding - Funding from the Air Pollution Control Account is transferred from the Department of Transportation to the Department of General Administration where the program is administered. A corresponding reduction is found in the Department of Transportation budget. (Air Pollution Control Account)

2. Risk Management Workload - Funding is provided for a Tort Claim Investigator to ensure that meritorious claims are promptly investigated and settled. Prompt investigation and settlement of tort claims will reduce state liability. (Risk Management Account)

3. Maintain State Food Purchases - Funding is provided to purchase bulk food commodities for distribution to the state's food bank network. State funds will offset federal reductions to the Emergency Food Assistance Program (TEFAP) and continue the current food distribution levels to food banks across the state.

4. Air Pollution Control Shortfall - A reduction in the funding levels from the Air Pollution Control Account is necessary due to declining revenues. (Air Pollution Control Account)

5. Americans with Disabilities Act - Efficiencies will be achieved through collaborative efforts with other state agencies. The Department has identified ways to provide the services required by the Americans with Disabilities Act with reduced funding.

6. Campus Security/Maintenance - Funding is reduced for three activities: reliance on existing surveillance cameras will eliminate the need for one campus security guard, grounds maintenance for the east capital campus is reduced, and funds supporting the Thurston County Regional Planning Council are eliminated. (Department of General Administration Facilities and Services Revolving Account)

7. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Department of Information Services
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 430.6 | 27,000 | 234,510 |
| 1997-99 Maintenance Level | 428.6 | 0 | 182,017 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | 0 | -1,164 |
| 2. K-20 Network Funding | 0.0 | 0 | 44,028 |
| Total Policy Changes | 0.0 | 0 | 42,864 |
| Total 1997-99 Biennium | 428.6 | 0 | 224,881 |
| Difference from 1995-97 | -2.0 | -27,000 | -9,629 |
| % Change from 1995-97 | -0.5% | -100.0% | -4.1% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 2. K-20 Network Funding** - Funding was provided in the 1996 Supplemental Budget for the development of a statewide K-20 education telecommunications network and will not be entirely spent by June 30, 1997. Unexpended funds are carried over and available for appropriation and expenditure in the 1997-99 biennium. (K-20 Technology Account, State Building Construction Account))

1997-99 Budget
Office of Insurance Commissioner
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 154.7 | 0 | 20,828 |
| 1997-99 Maintenance Level | 159.7 | 0 | 21,535 |
| Policy Changes: | | | |
| 1. Washington Information Network | 0.0 | 0 | 213 |
| 2. Information Systems | 0.0 | 0 | 148 |
| 3. Microfilming Enhancement | 0.0 | 0 | 150 |
| 4. General Inflation | 0.0 | 0 | -99 |
| 5. Information Technology Efficiencies | -2.0 | 0 | -155 |
| 6. License Suspension | 1.2 | 0 | 88 |
| 7. Increased Filing Workload | 1.5 | 0 | 164 |
| 8. Prudential Consent Order | 4.0 | 0 | 532 |
| 9. Insurance Company Investments | 0.0 | 0 | 12 |
| 10. Regulatory Reform | 1.6 | 0 | 375 |
| Total Policy Changes | 6.3 | 0 | 1,428 |
| Total 1997-99 Biennium | 166.0 | 0 | 22,963 |
| Difference from 1995-97 | 11.3 | 0 | 2,135 |
| % Change from 1995-97 | 7.3% | 0.0% | 10.3% |

Comments:

1. Washington Information Network - The Washington Information Network (WIN) kiosks provide state government services and information to the public. Currently, the insurance commissioner provides automobile insurance information on the kiosks. Funding is provided to add similar programs for home, life, and property insurance. (Insurance Commissioner's Regulatory Account)

2. Information Systems - Funding is provided to improve the Office's local area network (LAN) and to replace personal computers for Rates and Contracts analysts. These improvements, together with document imaging equipment will allow the Office to immediately implement efficiencies to improve the percentage of proposed rates and contracts that can be reviewed within the statutorily-mandated 30 days. These improvements will also support the State Electronic Rate and Form Filing (SERFF) and Producer Information Network (PIN) projects that are being implemented by a consortium of the industry and state insurance regulators. SERFF will allow rates and contracts to be filed and approved electronically which will expedite the rate review process. PIN will allow regulators and the industry to share information about licensed insurance agents, thus improving the means of protecting the public from fraudulent sales practices. (Insurance Commissioner's Regulatory Account)

3. Microfilming Enhancement - Funding is provided for a document imaging scanner attachment that will create an electronic copy of the rates and contracts at the same time that the microfilm copy is produced. With the scanning capability, the Office can convert its paper-based reviewing process to a more efficient electronic one and conduct business electronically with insurance firms. (Insurance Commissioner's Regulatory Account)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

5. Information Technology Efficiencies - The implementation of the State Electronic Rate and Form Filing and the Producer Information Network projects will result in staff savings beginning in Fiscal Year 1999. These two projects will automate current staff and paper intensive functions and provide more timely services. (Insurance Commissioner's Regulatory Account)

1997-99 Budget
Office of Insurance Commissioner

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6. License Suspension - The Washington Workfirst program provides for holding, suspending, or restricting the use of driver's, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is included for the additional workload associated with the license suspension. (Insurance Commissioner's Regulatory Account)

7. Increased Filing Workload - Provides funding for additional workload in health insurance rate filings to meet the provisions of SHB 1387 (basic health plan benefits). (Insurance Commissioner's Regulatory Account)

8. Prudential Consent Order - Under a Consent Agreement with the Prudential Insurance Company, the Insurance Commissioner will be reimbursed, on a project basis, for the cost of one regulations analyst and three compliance officers for a two-year period. The temporary staff will assist consumers with the Prudential remediation process and will enable the Insurance Commissioner to conduct financial and market conduct examinations of the Prudential company. (Insurance Commissioner's Regulatory Account)

9. Insurance Company Investments - Funds staff training needed to regulate insurance companies engaged in derivative investment transactions pursuant to SHB 2097 (insurance company investments). (Insurance Commissioner's Regulatory Account)

10. Regulatory Reform - Funding is provided to implement the provisions of E2SHB 1032 (regulatory reform). (Insurance Commissioner's Regulatory Account)

1997-99 Budget
State Board of Accountancy
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 6.5 | 0 | 1,312 |
| 1997-99 Maintenance Level | 6.5 | 0 | 1,242 |
| Policy Changes: | | | |
| 1. CPA Exam Adjustments | 0.0 | 0 | -306 |
| 2. General Inflation | 0.0 | 0 | -17 |
| 3. Compensation Change | 0.0 | 0 | 40 |
| 4. License Suspension # | 0.3 | 0 | 22 |
| Total Policy Changes | 0.3 | 0 | -261 |
| Total 1997-99 Biennium | 6.8 | 0 | 981 |
| Difference from 1995-97 | 0.3 | 0 | -331 |
| % Change from 1995-97 | 4.6% | 0.0% | -25.2% |

Comments:

1. CPA Exam Adjustments - Funding is reduced due to contracting out the Certified Public Accountant (CPA) examination.
(Certified Public Accountants' Account)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Compensation Change - Funding is provided for three staff reclassified to Washington Management Service positions.
(Certified Public Accountants' Account)

4. License Suspension # - Funding is provided for the additional workload associated with administering the license suspension component of the Personal Responsibility and Work Opportunity Act of 1996.

1997-99 Budget
Forensic Investigation Council
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 0 | 12 |
| 1997-99 Maintenance Level | 0.0 | 0 | 12 |
| Total 1997-99 Biennium | 0.0 | 0 | 12 |
| Difference from 1995-97 | 0.0 | 0 | 0 |
| % Change from 1995-97 | 0.0% | 0.0% | 0.0% |

Comments:

1997-99 Budget
Washington Horse Racing Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 28.9 | 0 | 4,844 |
| 1997-99 Maintenance Level | 28.9 | 0 | 4,889 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | 0 | -54 |
| Total Policy Changes | 0.0 | 0 | -54 |
| Total 1997-99 Biennium | 28.9 | 0 | 4,835 |
| Difference from 1995-97 | 0.0 | 0 | -9 |
| % Change from 1995-97 | 0.0% | 0.0% | -0.2% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
WA State Liquor Control Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 910.9 | 0 | 116,236 |
| 1997-99 Maintenance Level | 930.0 | 0 | 128,573 |
| Policy Changes: | | | |
| 1. License Suspension # | 1.0 | 0 | 159 |
| 2. Information Technology Upgrade | 4.0 | 0 | 1,250 |
| 3. Safety Officer | 1.0 | 0 | 73 |
| 4. Point of Sale Checkstands | 0.0 | 0 | 532 |
| 5. General Inflation | 0.0 | 0 | -278 |
| 6. Olympia Headquarters Relocation | 0.0 | 0 | 470 |
| 7. Liquor Enforcement # | 20.5 | 3,095 | 3,095 |
| Total Policy Changes | 26.5 | 3,095 | 5,301 |
| Total 1997-99 Biennium | 956.5 | 3,095 | 133,874 |
| Difference from 1995-97 | 45.6 | 3,095 | 17,638 |
| % Change from 1995-97 | 5.0% | 0.0% | 15.2% |

Comments:

1. License Suspension # - Funding is provided for the additional workload associated with administering the license suspension component of the Personal Responsibility and Work Opportunity Act of 1996. (Liquor Revolving Fund)

2. Information Technology Upgrade - Funding is provided for upgrading the agency's information technology capabilities. Funding for this item is contingent upon compliance with the provisions stated in Section 902 of the 97-99 operating budget bill. (Liquor Revolving Fund)

3. Safety Officer - Funding is provided for additional staff to improve management of open claims, increase site inspections, and provide safety training. (Liquor Revolving Fund)

4. Point of Sale Checkstands - Funding is provided to purchase ergonomically designed checkstands for liquor stores throughout the state. (Liquor Revolving Fund)

5. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

6. Olympia Headquarters Relocation - Funding is provided to co-locate Liquor Control Board staff in Thurston County. One-time moving costs of \$200,000 are included in Fiscal Year 1998. (Liquor Revolving Fund)

7. Liquor Enforcement # - Funding and staff are provided for the implementation of HB 2272, which transfers cigarette and tobacco tax enforcement from the Department of Revenue to the Liquor Control Board.

1997-99 Budget
Utilities and Transportation Comm
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 183.1 | 0 | 26,670 |
| 1997-99 Maintenance Level | 156.1 | 0 | 24,882 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | 0 | -149 |
| Total Policy Changes | 0.0 | 0 | -149 |
| Total 1997-99 Biennium | 156.1 | 0 | 24,733 |
| Difference from 1995-97 | -27.0 | 0 | -1,937 |
| % Change from 1995-97 | -14.7% | 0.0% | -7.3% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Board for Volunteer Firefighters
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 3.0 | 0 | 453 |
| 1997-99 Maintenance Level | 3.0 | 0 | 530 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | 0 | -1 |
| Total Policy Changes | 0.0 | 0 | -1 |
| Total 1997-99 Biennium | 3.0 | 0 | 529 |
| Difference from 1995-97 | 0.0 | 0 | 76 |
| % Change from 1995-97 | 0.0% | 0.0% | 16.8% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Military Department
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------|----------------------|---------|
| 1995-97 Estimated Expenditures | 194.1 | 15,542 | 195,253 |
| 1997-99 Maintenance Level | 190.6 | 16,210 | 133,809 |
| Policy Changes: | | | |
| 1. February Flood Local Match # | 0.0 | 0 | 5,418 |
| 2. November 1996 Ice Storm # | 0.0 | 0 | 5,688 |
| 3. December 1996 Holiday Storms # | 8.0 | 0 | 44,739 |
| 4. Satellite Maintenance Contracts | 0.0 | -400 | -400 |
| 5. Comprehensive Plan/Duty Officers | 4.0 | 648 | 648 |
| 6. Administrative Efficiencies | -2.0 | -443 | -886 |
| 7. General Inflation | 0.0 | -110 | -437 |
| 8. Facilities Maintenance | 0.0 | 200 | 200 |
| 9. Conditional Scholarship | 0.0 | 200 | 200 |
| 10. Disaster Costs Appropriations # | 0.0 | 2,115 | 2,115 |
| Total Policy Changes | 10.0 | 2,210 | 57,285 |
| Total 1997-99 Biennium | 200.6 | 18,420 | 191,094 |
| Difference from 1995-97 | 6.5 | 2,878 | -4,159 |
| % Change from 1995-97 | 3.3% | 18.5% | -2.1% |

Comments:

1. February Flood Local Match # - In the 1996 Supplemental Budget, the Legislature appropriated state funds to provide the match necessary for local governments to be eligible for Federal Emergency Management Agency funds for the February 1996 floods. Additional funds are provided to continue this event-specific decision to provide local governments extra financial assistance because of the enormous costs involved. A new account is being created to facilitate payment of disaster related expenses. (Disaster Response Account-State)

2. November 1996 Ice Storm # - Funding is provided to cover the damages sustained by Spokane, Pend Oreille, and Klickitat counties from the November 1996 Ice Storm. (Disaster Response Account-State, Disaster Response Account-Federal)

3. December 1996 Holiday Storms # - Funding is provided for costs associated with the December 1996 Holiday Storms. (Disaster Response Account-State, Disaster Response Account-Federal)

4. Satellite Maintenance Contracts - Funding is eliminated for maintenance contracts for emergency satellite communications system that were never purchased. (General Fund - Federal)

5. Comprehensive Plan/Duty Officers - Funding is provided for four duty officers that provide 24 hour coverage for immediate emergency response.

6. Administrative Efficiencies - Funding is reduced for goods and services and two support positions due to administrative efficiencies. (General Fund-State, General Fund-Federal)

7. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

8. Facilities Maintenance - Funding is provided for maintenance and repair of armories.

9. Conditional Scholarship - Funding is provided for educational scholarships for enlisted soldiers and officers below the rank of captain.

1997-99 Budget
Military Department

10. Disaster Costs Appropriations # - Funds are appropriated from the General Fund-State account into the Disaster Response Account for payment of disaster recovery costs. (General Fund-State) (Disaster Response Account State)

1997-99 Budget
Public Employment Relations Comm
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 22.8 | 3,417 | 3,417 |
| 1997-99 Maintenance Level | 22.8 | 3,489 | 3,489 |
| Policy Changes: | | | |
| 1. Telecommunication Savings | 0.0 | -10 | -10 |
| 2. Interest Arbitration (ESHB 1730) | 0.6 | 86 | 86 |
| 3. General Inflation | 0.0 | -24 | -24 |
| Total Policy Changes | 0.6 | 52 | 52 |
| Total 1997-99 Biennium | 23.4 | 3,541 | 3,541 |
| Difference from 1995-97 | 0.6 | 124 | 124 |
| % Change from 1995-97 | 2.6% | 3.6% | 3.6% |

Comments:

1. Telecommunication Savings - Funding is adjusted to reflect telecommunication cost savings estimated by the Department of Information Services.

2. Interest Arbitration (ESHB 1730) - Funds are provided to handle increased workload due to implementation of Chapter 273, Laws of 1995 (ESHB 1730 -- Interest arbitration for law enforcement officers). Under this lawm police officers in 68 additional jurisdictions will become eligible for interest arbitration on July 1, 1997.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Growth Management Hearings Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 12.0 | 2,740 | 2,740 |
| 1997-99 Maintenance Level | 12.0 | 2,792 | 2,792 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -19 | -19 |
| 2. Eliminate Second Year Funding | 0.0 | -1,389 | -1,389 |
| Total Policy Changes | 0.0 | -1,408 | -1,408 |
| Total 1997-99 Biennium | 12.0 | 1,384 | 1,384 |
| Difference from 1995-97 | 0.0 | -1,356 | -1,356 |
| % Change from 1995-97 | 0.0% | -49.5% | -49.5% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 2. Eliminate Second Year Funding** - Funding is provided for Board activities through June 30, 1998.

1997-99 Budget
State Convention and Trade Center
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 127.0 | 0 | 25,606 |
| 1997-99 Maintenance Level | 129.0 | 0 | 25,556 |
| Policy Changes: | | | |
| 1. Cost of Living Adjustments | 0.0 | 0 | 244 |
| 2. Facility Maintenance & Improvements | 0.0 | 0 | 575 |
| 3. Increased Business and Contingency | 0.0 | 0 | 800 |
| Total Policy Changes | 0.0 | 0 | 1,619 |
| Total 1997-99 Biennium | 129.0 | 0 | 27,175 |
| Difference from 1995-97 | 2.0 | 0 | 1,569 |
| % Change from 1995-97 | 1.6% | 0.0% | 6.1% |

Comments:

1. Cost of Living Adjustments - Funding is provided for a 3 percent salary increase effective July 1, 1997 for personnel employed by the State Convention and Trade Center. (State Convention and Trade Center Operations Account)

2. Facility Maintenance & Improvements - Funds are provided for replacement of carpeting and wall coverings and to allow the Convention Center to connect its existing parking garage to the Freeway Park parking garage, which was acquired from the City of Seattle. (State Convention and Trade Center Operations Account)

3. Increased Business and Contingency - Funds are provided for increased staffing and operating costs resulting from higher levels of convention business using the facility. In addition, contingency funding is provided to supplement the existing equipment budget as additional equipment may require replacement during the biennium. (State Convention and Trade Center Operations Account)

1997-99 Budget
WA State Health Care Authority
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 258.2 | 6,819 | 355,583 |
| 1997-99 Maintenance Level | 296.1 | 7,070 | 543,158 |
| Policy Changes: | | | |
| 1. BHP Enrollment Expansion | 0.0 | 0 | 7,245 |
| 2. PEBB Customer Service | 6.0 | 0 | 807 |
| 3. General Inflation | 0.0 | -251 | -1,189 |
| 4. Adjust Promotions and Commissions | 0.0 | 0 | -914 |
| 5. Financial Sponsorship Fees | 0.0 | 0 | -17,900 |
| 6. Managed Competition | 0.0 | 0 | -14,900 |
| 7. BHP Benefits Package Changes | 0.0 | 0 | -10,000 |
| 8. BHP Subsidy Scale | 0.0 | 0 | -31,200 |
| 9. Health Care Savings Accounts | 0.8 | 0 | 150 |
| Total Policy Changes | 6.8 | -251 | -67,901 |
| Total 1997-99 Biennium | 302.9 | 6,819 | 475,257 |
| Difference from 1995-97 | 44.7 | 0 | 119,674 |
| % Change from 1995-97 | 17.3% | 0.0% | 33.7% |

Comments:

1. BHP Enrollment Expansion - Funding is provided for an additional 3,000 persons to be enrolled in the subsidized Basic Health Plan (BHP) effective July 1, 1997. This would raise the average monthly number of persons receiving such coverage to 133,000. (Other Funds: Health Services Account, BHP Trust Account-Non-Appropriated)

2. PEBB Customer Service - Additional Public Employees Benefits Board (PEBB) funding is included for increased workload in benefit services support, accounting support, appeals, and for rebidding the Uniform Medical Plan third-party administrator contract. This increase is necessary due to additional customers (e.g., 15,000 additional K-12 retirees) and increased workload as a result of changes in the provision of state employee benefits implemented in the 1995-97 Biennium. (State Health Care Authority Administrative Account)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Adjust Promotions and Commissions - Because subsidized Basic Health Plan enrollment has reached its budgeted capacity of 130,000, and there are an estimated 70,000 people who have inquired about enrolling, funding is eliminated for marketing and commissions to insurance brokers. (Other Funds: Health Services Account)

5. Financial Sponsorship Fees - Health plans, hospitals, clinics, and any other group paid to deliver BHP services will be required to pay a minimum of \$50 per month to sponsor BHP enrollment for individuals qualifying for state subsidy. The state will continue to subsidize the remaining portion of the enrollees' insurance premium. (Other Funds: Health Services Account)

6. Managed Competition - This reduction assumes that the Health Care Authority will base the state BHP subsidy on the premium charged by the lowest cost plan in each county, rather than on the premium of the highest-priced plan as is currently the case. This is expected to reduce state costs by giving health plans additional incentives to limit premium increases, and by shifting the extra cost for enrollees who choose a higher cost plan from the state to the enrollee. (Other Funds: Health Services Account)

1997-99 Budget
WA State Health Care Authority

7. BHP Benefits Package Changes - This reduction assumes a reduction in BHP premiums equivalent to what would be achieved by increasing all co-pays on a sliding scale depending on enrollee family income and eliminating coverage of the organ transplant benefits which were added in 1996. It is assumed that persons needing organ transplants will be covered by Medical Assistance. The Health Care Authority is authorized to modify the benefit package in ways which would better promote enrollee health and access to care, while maintaining current enrollment levels within budgeted funds, including the above approach. (Health Services Account-State)

8. BHP Subsidy Scale - This reduction assumes a reduction in BHP subsidy costs equivalent to what would be achieved by (1) beginning the sliding scale for premium contributions at 66 percent of the Federal Poverty Level (FPL) instead of 125 percent; (2) increasing the family maximum to triple the individual minimum premium; and (3) eliminating dual coverage of Medicaid eligible. The Health Care Authority is authorized to modify the subsidy scale in ways different than or in addition to this which would better promote enrollee health and access to care, while maintaining current enrollment levels within budgeted funds. (Other Funds: Health Services Account)

1997-99 Budget
Human Rights Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 44.8 | 4,044 | 5,839 |
| 1997-99 Maintenance Level | 44.4 | 4,082 | 5,803 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -20 | -35 |
| Total Policy Changes | 0.0 | -20 | -35 |
| Total 1997-99 Biennium | 44.4 | 4,062 | 5,768 |
| Difference from 1995-97 | -0.4 | 18 | -71 |
| % Change from 1995-97 | -0.9% | 0.4% | -1.2% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Bd of Industrial Insurance Appeals
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 124.4 | 0 | 20,313 |
| 1997-99 Maintenance Level | 124.4 | 0 | 20,404 |
| Policy Changes: | | | |
| 1. Relational Database System | 0.0 | 0 | 83 |
| 2. Workload Increase | 7.8 | 0 | 1,141 |
| 3. New Appeal Specialists | 2.0 | 0 | 184 |
| 4. General Inflation | 0.0 | 0 | -216 |
| Total Policy Changes | 9.8 | 0 | 1,192 |
| Total 1997-99 Biennium | 134.2 | 0 | 21,596 |
| Difference from 1995-97 | 9.8 | 0 | 1,283 |
| % Change from 1995-97 | 7.8% | 0.0% | 6.3% |

Comments:

1. Relational Database System - Funding is provided for consulting services and the purchase of a new computing platform and upgraded file servers. The Board will migrate to a relational database management system and file server environment. (Accident and Medical Aid Accounts)

2. Workload Increase - Funding is provided for additional staff to accommodate a six percent annual workload increase in appeals. Additional space is also funded to accommodate the increased staff in Seattle and Spokane. (Accident and Medical Aid Accounts-State)

3. New Appeal Specialists - Funding is provided for two new Appeal Specialists positions that will relieve judges from some administrative duties, freeing their time for dispute resolution. (Accident and Medical Aid Accounts)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Criminal Justice Training Comm
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|------|----------------------|--------|
| 1995-97 Estimated Expenditures | 30.1 | 0 | 11,524 |
| 1997-99 Maintenance Level | 30.1 | 0 | 13,708 |
| Policy Changes: | | | |
| 1. Domestic Violence Initiative | 0.0 | 0 | 100 |
| 2. Vendor Rate Increase | 0.0 | 0 | 32 |
| 3. General Inflation | 0.0 | 0 | -184 |
| 4. Law Enf. Supervision Training | 0.0 | 0 | 92 |
| 5. Study Expanded Training & Funding | 0.0 | 0 | 130 |
| 6. Law Enf Training Legislation | 0.0 | 0 | 80 |
| Total Policy Changes | 0.0 | 0 | 250 |
| Total 1997-99 Biennium | 30.1 | 0 | 13,958 |
| Difference from 1995-97 | 0.0 | 0 | 2,434 |
| % Change from 1995-97 | 0.0% | 0.0% | 21.1% |

Comments:

1. Domestic Violence Initiative - Federal funding is expected to become available to provide for increased domestic violence training and reporting. (General Fund-Federal)

2. Vendor Rate Increase - Funding is provided for a 3% cost-of-living increase on July 1, 1997 for Washington Association of Sheriffs and Police Chiefs (WASPC) staff who are funded through the Commission, but who are not Commission employees. (Public Safety and Education Account- State)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Law Enf. Supervision Training - Provides funding for 315 police officers to attend supervisory and management training. Under current law, attendance at the course is not mandatory but is encouraged. (Public Safety & Education Account - State).

5. Study Expanded Training & Funding - Funding is provided for an expanded study of law enforcement training. In addition to continuing the work begun in 1996, the study will also produce a comprehensive list of courses offered, the actual cost of offering each type of class, and what fees, if any, should be charged. Finally, the study will focus on training needs of the corrections system. (Public Safety & Education Account - State)

6. Law Enf Training Legislation - Funding is provided to implement SHB 1423 (criminal justice training commission). This legislation would require: 1) the presentation of annual class on child abuse and neglect investigation; 2) the Criminal Justice Training Commission to begin collecting fees from attendees of the basic law enforcement academy; and 3) supervisors and managers in law enforcement to attend mandatory training. Funding for the first two items is provided here while the third provision is funded as a separate item. If this bill is not enacted by July 1, 1997, this funding lapses. (Public Safety and Education Account - State)

1997-99 Budget
Department of Labor and Industries
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------------|---------|----------------------|---------|
| 1995-97 Estimated Expenditures | 2,614.3 | 11,327 | 374,611 |
| 1997-99 Maintenance Level | 2,654.8 | 13,564 | 378,741 |
| Policy Changes: | | | |
| 1. Claims Service Delivery | 1.0 | 0 | 1,950 |
| 2. Contractor Service Improvement | 0.5 | 50 | 700 |
| 3. Injury & Disability Prevention | 0.0 | 0 | 1,125 |
| 4. Legal Services Support | 1.0 | 0 | 630 |
| 5. License Suspension # | 2.0 | 78 | 156 |
| 6. General Inflation | 0.0 | -39 | -1,943 |
| 7. Increased Compliance Ind Insurance | 2.0 | 0 | 600 |
| 8. Regulatory Reform | 5.0 | 140 | 1,265 |
| Total Policy Changes | 11.5 | 229 | 4,483 |
| Total 1997-99 Biennium | 2,666.3 | 13,793 | 383,224 |
| Difference from 1995-97 | 52.0 | 2,466 | 8,613 |
| % Change from 1995-97 | 2.0% | 21.8% | 2.3% |

Comments:

1. Claims Service Delivery - Funding is provided for detailed planning, design, development, piloting and implementation of technology applications to improve claims management and services. (Accident and Medical Aid Accounts-State)

2. Contractor Service Improvement - Provides funding for a feasibility study and general design of an Electrical Permitting and Inspection System and a Credentialing Information System. (General Fund-State, Electrical License Account-State, Accident and Medical Aid Accounts-State)

3. Injury & Disability Prevention - Funding is provided for the following two activities: (1) Occupationally Focused Health Care Systems - A consultant will assist the agency in developing alternative health care delivery system models that respond to the findings of the University of Washington's managed care pilot evaluation; and (2) Effectiveness of Medical Reimbursement Programs - A consultant will develop and maintain a structured, data driven reimbursement approach to medical benefit payments. The analysis will focus on the Professional Fee Schedule, Hospital Inpatient Prospective Payment System, Pharmacy Fee Schedule, Medical and Surgical Supplies, and the Department of Labor and Industries' Unique Coding Systems. (Accident and Medical Aid Accounts-State)

4. Legal Services Support - Provides funds for two Assistant Attorneys General and one paralegal needed to address the industrial insurance appeals workload increase. (Accident and Medical Aid Accounts-State)

5. License Suspension # - The Washington Workfirst program provides for holding, suspending, or restricting the use of driver's, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is included for the additional workload associated with the license suspension. (General Fund-State, Plumbing Certificate Account-State, Electrical License Account-State)

6. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

7. Increased Compliance Ind Insurance - Provides funding for additional workload in compliance activities to meet the provisions of 2SHB 2041 (workers' compensation failure to pay). (Accident Fund, Medical Aid Fund)

1997-99 Budget
Department of Labor and Industries

8. Regulatory Reform - Funding is provided to implement the provisions of E2SHB 1032 (regulatory reform). (General Fund-State, Medical Aid Fund-State, Accident Fund-State, Electrical Licensing Account-State)

1997-99 Budget
Indeterminate Sentence Review Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 12.0 | 2,339 | 2,339 |
| 1997-99 Maintenance Level | 5.5 | 1,151 | 1,151 |
| Policy Changes: | | | |
| 1. Agency Reauthorization # | 4.6 | 936 | 936 |
| 2. General Inflation | 0.0 | -16 | -16 |
| Total Policy Changes | 4.6 | 920 | 920 |
| Total 1997-99 Biennium | 10.1 | 2,071 | 2,071 |
| Difference from 1995-97 | -1.9 | -268 | -268 |
| % Change from 1995-97 | -15.8% | -11.5% | -11.5% |

Comments:

1. Agency Reauthorization # - HB 1646 (indeterminate sentence review) and SB 5410 (indeterminate sentence review board) have been introduced to reauthorize the Board for an additional ten years. This legislation also includes provisions for part-time board members resulting in some budget savings.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
WA Health Care Policy Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 21.4 | 0 | 4,449 |
| 1997-99 Maintenance Level | 20.2 | 0 | 4,412 |
| Policy Changes: | | | |
| 1. Eliminate Board # | -20.2 | 0 | -4,387 |
| 2. General Inflation | 0.0 | 0 | -25 |
| Total Policy Changes | -20.2 | 0 | -4,412 |
| Total 1997-99 Biennium | 0.0 | 0 | 0 |
| Difference from 1995-97 | -21.4 | 0 | -4,449 |
| % Change from 1995-97 | -100.0% | 0.0% | -100.0% |

Comments:

1. Eliminate Board # - As directed by HB 2264 (health care policy board elimination) funding is eliminated for the Health Care Policy Board effective July 1, 1997 (Other funds: Health Services Account-State).

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Department of Health
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---|---------|----------------------|---------|
| 1995-97 Estimated Expenditures | 1,129.6 | 90,325 | 446,645 |
| 1997-99 Maintenance Level | 1,120.9 | 101,613 | 480,966 |
| Policy Changes: | | | |
| 1. Farmworker Housing | 1.0 | 141 | 141 |
| 2. Public Water System Supervision | 9.5 | 0 | 1,467 |
| 3. Automated System Development | 0.5 | 0 | 2,134 |
| 4. Youth Tobacco Prevention | 0.0 | 0 | 400 |
| 5. Public Water System Regulation | 11.9 | 0 | 4,533 |
| 6. Health Services Account Reduction | 0.0 | 0 | -9,299 |
| 7. Reduce State Toxics Control Account | 0.0 | 0 | -65 |
| 8. License Suspension # | 0.6 | 0 | 259 |
| 9. Boarding Home Quality Assurance | 4.7 | 812 | 812 |
| 10. EMS Trauma | 0.0 | -1,720 | -1,720 |
| 11. Maternal and Child Health Contracts | 0.0 | -588 | -588 |
| 12. Environmental Radiation | -2.7 | -508 | -508 |
| 13. Administrative Reduction | -3.5 | -703 | -703 |
| 14. Puget Sound Work Plan | 1.0 | 730 | 730 |
| 15. General Inflation | 0.0 | -482 | -1,891 |
| 16. Mandated Health Benefit Review | 1.0 | 100 | 100 |
| 17. Ambulatory Surgical Ctr Licensing | 1.3 | 0 | 202 |
| 18. Dental Services for Children | 0.0 | 200 | 200 |
| 19. Birth to 3/First Steps Coordination | 1.0 | 0 | 120 |
| 20. Abstinence Education | 0.0 | 0 | 700 |
| 21. Poison Center | 0.0 | 0 | 250 |
| 22. Transfer Nursing Home Protection | 0.0 | 454 | 952 |
| 23. AIDS Prescription Drug Program | 0.0 | -4,039 | -4,039 |
| 24. Regulatory Reform | 14.6 | 961 | 1,678 |
| 25. Balance Health Services Account | 0.0 | 8,329 | 0 |
| Total Policy Changes | 40.8 | 3,687 | -4,135 |
| Total 1997-99 Biennium | 1,161.7 | 105,300 | 476,831 |
| Difference from 1995-97 | 32.1 | 14,975 | 30,186 |
| % Change from 1995-97 | 2.8% | 16.6% | 6.8% |

Comments:

1. Farmworker Housing - Funding is provided for the cost of an additional licensor/surveyor of temporary worker housing in order to meet the increased workload due to the development of additional housing.

2. Public Water System Supervision - Additional federal funding is provided for the Drinking Water program as a result of the reauthorization of the federal Safe Drinking Water Act. Activities funded are the development of a water data management system and compliance efforts to meet the requirements of the federal Safe Drinking Water Act. (General Fund-Federal)

3. Automated System Development - Funding is included for a Health Professions Licensing and Disciplinary Management System to be used primarily for complaint tracking and management. The current system does not meet departmental needs for either complaint tracking or disciplinary functions and the software lease expires July 1998. (Medical Disciplinary Account)

**1997-99 Budget
Department of Health**

4. Youth Tobacco Prevention - Funding is provided for additional youth tobacco prevention activities including education and enforcement. Additional revenue is available from the Youth Tobacco Prevention Account to fund these activities. Seventy percent of the funds go to local health jurisdictions for coordinated tobacco intervention strategies to prevent and reduce tobacco use by youth and the remaining 30 percent go to the Liquor Control Board (by interagency agreement) for enforcement of laws relating to access to tobacco by youth. (Youth Tobacco Prevention Account)

5. Public Water System Regulation - Funding is provided to implement the changes made by the federal Safe Drinking Water Act of 1996, which establishes the Drinking Water Assistance Account-Federal and other program requirements. (General Fund-Federal)

6. Health Services Account Reduction - To balance the Health Services Account, a number of reductions are made to programs funded by the Health Services Account and the Public Health Services account. Funding for teen pregnancy prevention activities is reduced by \$700,000 with the expectation that the DOH will apply for federal abstinence education funds for this purpose. Funding for health professional recruitment and retention is reduced by \$1.5 million, preserving \$200,000 for malpractice insurance for retired physicians. Funding is reduced for the Information Network for Public Health Officials (INPHO) by \$1.6 million, with the expectation that INPHO will become self-supporting through fees charged to local health officials. Funding is eliminated for programs including: \$1 million for youth suicide prevention projects, \$1 million for training local and state public health officials, \$600,000 for the health personnel resource plan, \$200,000 for the American Indian health care delivery plan, \$250,000 for Basic Health Plan outreach through the Women, Infants, and Children (WIC) program, \$100,000 for the multi-cultural assistance program, \$1.6 million for data standards development, and \$708,000 for pesticide incident reporting, which will be absorbed by other hazardous substances-human health effects activities of the DOH. (Other funds: Health Services Account-State)

7. Reduce State Toxics Control Account - The State Toxics Control Account appropriation is reduced to balance to estimated revenues. (State Toxics Control Account)

8. License Suspension # - The Washington WorkFirst program provides for holding, suspending, or restricting the use of drivers, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is provided for the additional workload associated with the license suspension. (General Fund-State, General Fund-Private/Local, Health Professions Account)

9. Boarding Home Quality Assurance - Funding is included to improve the timeliness of response to complaints, to increase the number and quality of technical assistance visits, and to increase the depth and detail of annual inspections.

10. EMS Trauma - Funding for trauma system assessment, analysis and technical assistance to regional councils is reduced.

11. Maternal and Child Health Contracts - Funding is reduced to reflect savings achieved through greater use of managed care organizations and other adjustments related to the targeting of funds to local contractors.

12. Environmental Radiation - Funding is reduced due to the elimination of the ionizing radiation emissions monitoring program and the elimination of the associated state health laboratory support.

13. Administrative Reduction - Reduces funding by eliminating some administrative functions for the Non-Infectious Disease and Injury Prevention program, reductions in agency indirect costs due to decreases in program costs, reductions in the number of cost-benefit analyses developed for the Environmental Health program, efficiencies and a slight delay in the implementation of a computer system in the Women, Infants and Children program, and reductions in the cost of sunset/sunrise review activities in the Health Services Quality Assurance program.

14. Puget Sound Work Plan - Funding is included in the Department of Health for outreach and technical assistance to local health jurisdictions for local on-site sewage issues, contracts with local health jurisdictions for recreational shellfish activities, contracts to research and demonstrate alternative and experimental on-site sewage systems, and development of an integrated shellfish data system.

**1997-99 Budget
Department of Health**

15. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

16. Mandated Health Benefit Review - Funding is provided to implement SHB 1191 (mandated health benefit review) which establishes a process for reviewing mandated health benefit proposals. DOH will review proposals when requested to do so by the legislature.

17. Ambulatory Surgical Ctr Licensing - Funding is provided for licensing ambulatory surgical centers as required by SHB 1952 (health facilities and services). (Other funds: General Fund-Local)

18. Dental Services for Children - To improve access to dental care for children in rural and underserved areas, funding is provided for retired dentists malpractice insurance costs.

23. AIDS Prescription Drug Program - Funding for the Aids Prescription Drug Program is lidded. The DOH is directed to manage the program within funds appropriated by the Legislature by limiting enrollment, limiting access to the most expensive drug regimens, or other means deemed reasonable.

24. Regulatory Reform - Funding is provided for the implementation of HB 1032 (regulatory reform). Department of Health will be required to review all rules in the next seven years. (General Fund-Local, Health Professions Account-State)

25. Balance Health Services Account - To balance the Health Services Account, funding for a number of programs is transferred to the General Fund--State. The programs include vaccines, malpractice insurance for retired physicians, EMS personnel licensing and training, and the State Board of Health. (Other Funds: Health Services Account-State)

*** Transfer of Public Health Funding** - Funding is transferred from the Public Health Account to the Health Services Account. This transfer will eliminate the need for revenue transfers among accounts. (Public Health Account, Health Services Account)

1997-99 Budget
Department of Veterans' Affairs
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 490.2 | 21,498 | 52,142 |
| 1997-99 Maintenance Level | 491.7 | 18,883 | 53,213 |
| Policy Changes: | | | |
| 1. Field Services Outreach | 0.0 | 144 | 144 |
| 2. Field Services Vendor Rate Increase | 0.0 | 76 | 76 |
| 3. Veterans Home Replacement Equipment | 0.0 | 130 | 130 |
| 4. Computer Support Staff | 1.0 | 89 | 89 |
| 5. General Inflation | 0.0 | -333 | -333 |
| 6. WW II Veterans Memorial | 0.0 | 25 | 25 |
| Total Policy Changes | 1.0 | 131 | 131 |
| Total 1997-99 Biennium | 492.7 | 19,014 | 53,344 |
| Difference from 1995-97 | 2.5 | -2,484 | 1,202 |
| % Change from 1995-97 | 0.5% | -11.6% | 2.3% |

Comments:

1. Field Services Outreach - Funding is provided to reimburse volunteer service officers for travel and other costs associated with providing outreach claims services to veterans and their family members.

2. Field Services Vendor Rate Increase - Funds are provided for a 3% vendor rate increase effective July 1, 1997 for the ten contracted field offices and providers of Post Traumatic Stress Disorder (PTSD) treatment services.

3. Veterans Home Replacement Equipment - Additional funding is provided for the purchase of resident care equipment, vehicles, and other equipment necessary for the operation of the Retsil facility.

4. Computer Support Staff - Provides one computer technology specialist, to be shared between the Veterans and the Soldiers Homes, to assist with automation of the client assessment and care planning information as well as other business systems.

5. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

6. WW II Veterans Memorial - Funding is provided to the department of veterans affairs to accomplish tasks associated with the construction of the memorial. These funds must be used at the discretion of the state department of veterans affairs with the advice of the World War II Memorial Advisory Committee.

1997-99 Budget
Department of Corrections
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|---------|----------------------|---------|
| 1995-97 Estimated Expenditures | 6,193.5 | 760,451 | 766,483 |
| 1997-99 Maintenance Level | 6,694.6 | 829,549 | 852,543 |
| Policy Changes: | | | |
| 1. Delay Hiring Supervision Staff | -4.6 | -512 | -512 |
| 2. Goods and Services Savings | 0.0 | -1,656 | -1,656 |
| 3. Reduce Workload Support | -5.8 | -427 | -427 |
| 4. Administrative Reductions | -30.0 | -2,786 | -2,786 |
| 5. Eliminate Selected Specialists | -10.0 | -830 | -830 |
| 6. Reduce Custody Staff Overtime | -7.0 | -700 | -700 |
| 7. Reduce CI Expansion | -19.7 | -2,359 | -2,359 |
| 8. Field Office Consolidations | 0.0 | -248 | -248 |
| 9. Delay Tacoma Pre-Release | -3.8 | -1,330 | -1,330 |
| 10. Data Communications Upgrade | 1.0 | 1,168 | 1,168 |
| 11. General Inflation | 0.0 | -4,152 | -4,192 |
| 12. Health Care Savings | 0.0 | -5,100 | -5,100 |
| 13. Vendor Rate Increase | 0.0 | 1,565 | 1,565 |
| 14. Enhanced Sentencing/Gangs# | 2.5 | 1,499 | 1,499 |
| 15. Reduce Work Crews | -4.0 | -352 | -352 |
| 16. Illegal Alien Offenders # | 0.0 | -1,102 | -1,102 |
| 17. Eliminate Artist in Residence | 0.0 | -42 | -42 |
| 18. Reduce On Site Evaluations | -0.3 | -28 | -28 |
| 19. Reduce Mental Health R&D | 0.0 | -200 | -200 |
| 20. CCO Automation Efficiencies | 0.0 | -377 | -377 |
| 21. Local Government Impacts | 0.0 | 425 | 425 |
| 22. Juvenile Justice Legislation # | 81.8 | 10,694 | 10,694 |
| Total Policy Changes | 0.2 | -6,850 | -6,890 |
| Total 1997-99 Biennium | 6,694.8 | 822,699 | 845,653 |
| Difference from 1995-97 | 501.3 | 62,248 | 79,170 |
| % Change from 1995-97 | 8.1% | 8.2% | 10.3% |

Comments:

1. Delay Hiring Supervision Staff - The maintenance level budget includes funding for additional Community Corrections Officers to supervise additional offenders. Savings are generated by delaying the hiring of these additional Community Corrections Officers by an average of 120 days.

2. Goods and Services Savings - Funding is reduced due to savings in the purchase of goods, services and equipment. In the 1995-97 Biennium, the department purchased a number of items using cash instead of debt service. This reduced the need for resources to be dedicated in the 1997-99 biennium for repayment.

3. Reduce Workload Support - Funding is reduced through the reduction of support staff. As the offender population in the department grows, additional support staff are added in areas like data processing, accounting and correctional industries. All of the staff added for workload growth in the Administration Program and a portion of those added in the Correctional Industries Program are eliminated.

4. Administrative Reductions - Savings are generated through a number of administrative reductions and consolidations in Community Corrections and the Division of Prisons.

**1997-99 Budget
Department of Corrections**

- 5. Eliminate Selected Specialists** - Savings are generated by eliminating a number of community corrections specialist positions. The services provided by the specialists will be transitioned into the regular duties of community corrections officers. Training will generally be provided by computer based training programs and videos rather than by the specialists.
- 6. Reduce Custody Staff Overtime** - Savings will be achieved by making better use of intermittent staff to reduce overtime. The department will also implement programs aimed at improving scheduling and reducing sick leave.
- 7. Reduce CI Expansion** - Savings are achieved by not increasing offender employment over June 1997 levels. State law requires, and the maintenance level budget provides, an increase of 300 offender jobs in FY 98 and additional 300 jobs in FY 99. By eliminating the higher employment requirement, savings can be achieved. Within available resources, the department will increase offender employment above the June 1997 level.
- 8. Field Office Consolidations** - Savings are generated by closing four community corrections field offices. Offenders and staff will generally be assigned to the next closest facility.
- 9. Delay Tacoma Pre-Release** - Savings are generated by delaying the opening of 60 beds at the Tacoma Pre-Release facility from January 1999 until July 1999.
- 10. Data Communications Upgrade** - Primarily one-time funding is provided to upgrade the Department's wide area network (WAN) to meet the needs of increased system utilization. The network supports several mission critical data systems including the Offender Based Tracking System (OBTS). Of the amount funded, only \$96,000 is an on-going cost.
- 11. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 12. Health Care Savings** - Funding is reduced to capture anticipated savings in offender health care costs. The 1995 legislature required the Office of Financial Management to contract with a private research company to identify cost saving strategies for delivering and managing inmate health care. The study recommended several strategies which, if implemented, are projected to save \$5.1 million in the 1997-99 Biennium.
- 13. Vendor Rate Increase** - Provides funding for a vendor rate increase of three percent on July 1, 1997. Those receiving a rate increase include providers of contracted work release facilities and community colleges providing educational services to offenders.
- 14. Enhanced Sentencing/Gangs#** - Funding is provided solely to implement SHB 1522 (criminal street gang activity). Under this bill, an adult or juvenile offender who is found to have committed a felony offense must receive the sentence enhancement if the offense was committed for the benefit of, at the direction of, or in association with a criminal street gang; and with intent to promote, further, or assist in criminal conduct by gang members. If this bill is not enacted by June 30, 1997, this funding shall lapse.
- 15. Reduce Work Crews** - Savings are generated by eliminating four community service work crews. In most cases, work crews are paid for by the entity benefiting from their work. Funding is eliminated for four work crews which did not receive reimbursement.
- 16. Illegal Alien Offenders #** - Approximately 750 undocumented alien offenders are housed in DOC institutions. Under current law, certain non-violent offenders can be released early solely for the purpose of deportation. Once an offender is deported, a national arrest warrant for the offender is obtained. If the offender is arrested during the period the warrant is in effect, the offender is extradited to Washington to serve the remainder of his or her sentence. By streamlining the process, offenders can be released and deported sooner saving incarceration costs. Savings are contingent upon the passage of HB 2247 (alien offenders).
- 17. Eliminate Artist in Residence** - Funding is eliminated for the Artist-in-Residence program. This program brings artists into prisons for a two week residency working with offenders. In recent years, available federal funding for the program has shrunk, reducing the scope of the program.

**1997-99 Budget
Department of Corrections**

18. Reduce On Site Evaluations - Savings are generated by discontinuing on-site safety inspections and evaluations in Division of Community Corrections field offices.

19. Reduce Mental Health R&D - Savings are achieved by reducing mental health research and program development by one half. This service is provided, under contract, by the University of Washington.

20. CCO Automation Efficiencies - The Division of Community Corrections has purchased portable computers with cellular modems for community corrections officers (CCOs). By using this equipment, CCOs can check offender data and enter information directly from the field. Currently, CCOs must write the data down and then come back to the office to enter it into the system. In addition to the purchase of equipment, the department incurs additional costs for the use of cellular modems to transfer data. It is assumed that the efficiencies generated by the program will cover the additional cellular costs.

21. Local Government Impacts - Funding is provided for one-time local government impact costs associated with the opening of 512 additional beds at the Airway Heights Corrections Center.

22. Juvenile Justice Legislation # - Funding is provided to implement 3SHB 3900 (juvenile code revisions). The bill automatically transfers jurisdiction of 16 and 17 year old offenders charged with a violent crime to adult court. In addition, the bill also makes numerous changes to both juvenile sentences and sentencing options. The combined state and local government cost is estimated at \$21.7 million in the 1997-99 biennium.

1997-99 Budget
Dept of Services for the Blind
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 70.9 | 2,652 | 14,429 |
| 1997-99 Maintenance Level | 71.9 | 2,657 | 14,633 |
| Policy Changes: | | | |
| 1. Federal Grant Increase | 0.0 | 123 | 596 |
| 2. General Inflation | 0.0 | -21 | -118 |
| Total Policy Changes | 0.0 | 102 | 478 |
| Total 1997-99 Biennium | 71.9 | 2,759 | 15,111 |
| Difference from 1995-97 | 1.0 | 107 | 682 |
| % Change from 1995-97 | 1.4% | 4.0% | 4.7% |

Comments:

1. Federal Grant Increase - Provides funding to serve an additional 150 clients per year and place an additional 12 clients per year in competitive employment. Those not placed in competitive employment will benefit from employer education, job development, job clubs, team capacity building, and development of home-based and self-employment opportunities. (General Fund-State, General Fund-Federal)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Sentencing Guidelines Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 10.0 | 1,293 | 1,293 |
| 1997-99 Maintenance Level | 11.8 | 1,439 | 1,439 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -12 | -12 |
| Total Policy Changes | 0.0 | -12 | -12 |
| Total 1997-99 Biennium | 11.8 | 1,427 | 1,427 |
| Difference from 1995-97 | 1.8 | 134 | 134 |
| % Change from 1995-97 | 18.0% | 10.4% | 10.4% |

Comments:

1. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Department of Employment Security
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 2,245.9 | 6,113 | 438,916 |
| 1997-99 Maintenance Level | 2,233.1 | 0 | 396,772 |
| Policy Changes: | | | |
| 1. Early Intervention Reemployment | 6.7 | 0 | 1,000 |
| 2. Unemployment Ins. Business Reform | 4.7 | 0 | 7,900 |
| 3. Strengthen Employment Services | 3.0 | 0 | 1,798 |
| 4. General Inflation | 0.0 | 0 | -797 |
| 5. Regulatory Reform | 1.7 | 0 | 220 |
| Total Policy Changes | 16.1 | 0 | 10,121 |
| Total 1997-99 Biennium | 2,249.2 | 0 | 406,893 |
| Difference from 1995-97 | 3.3 | -6,113 | -32,023 |
| % Change from 1995-97 | 0.1% | -100.0% | -7.3% |

Comments:

1. Early Intervention Reemployment - Funding is provided for additional staff to strengthen and expand reemployment services to a larger number of unemployment insurance claimants. The additional staff will assist unemployment insurance claimants return to work faster which is intended to reduce long-term benefit payments made from the Unemployment Insurance Trust Fund. (Employment Services Administrative Account-State)

2. Unemployment Ins. Business Reform - Provides funds for the modification of the unemployment compensation payment system. The system is modified as follows:

a) Claim and Adjudication Call Centers: Funding is provided for planning and implementation of three regional Claim and Adjudication Call Centers and four stand-alone Adjudication Call Centers. The department will move from a geographically based in-person initial claims process to a centralized telephone claims process. (Unemployment Compensation Administration Account-Federal, Administrative Contingency Account-State)

b) Overpayment Detection/Collection Productivity Enhancement: Funding is provided for implementation of a new automated voice link and case management system. The agency will also complete the interface between the automated fraud detection and benefit payment systems, utilize bar code scanners to increase quarterly cross match cases, and obtain equipment to prepare forgery, prosecution, and fraud cases. (Administrative Contingency Account-State)

c) Data/Wage Quality Initiative: Funding is provided to improve the quality of employer reported wage information through reporting alternatives and use of scanning and imaging. (Unemployment Compensation Administrative Account- Federal)

3. Strengthen Employment Services - Funding is provided for One Stop Information Connectivity. The One Stop Information Connectivity project will enhance the communications among all employment services related information systems across state government. This communication will improve the effectiveness of matching individual client needs with available employment services. (General Fund-Federal)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

5. Regulatory Reform - Funding is provided to implement the provisions of E2SHB 1032 (regulatory reform). (Unemployment Compensation Account-Federal)

1997-99 Budget
Department of Employment Security

* **Fund Source Change** - Overpayment and detection activities that were paid by the Unemployment Compensation Administration Account are shifted to the Administrative Contingency Account. (Unemployment Compensation Administration Account-Federal, Administrative Contingency Account-State)

1997-99 Budget
Dept of Social and Health Services
Children and Family Services
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|---|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 1,851.3 | 324,744 | 607,023 |
| 1997-99 Maintenance Level | 2,075.7 | 394,058 | 684,518 |
| Policy Changes: | | | |
| 1. 1997-99 Child Care Vendor Increase | 0.0 | 1,391 | 1,446 |
| 2. Fire Marshal Inspections | 0.0 | 262 | 262 |
| 3. Child Care Provider Training | 0.0 | 1,160 | 1,160 |
| 4. Home Studies for Adoptive Families | 0.0 | 346 | 450 |
| 5. Adoption Reconsideration # | 0.0 | 24 | 24 |
| 6. Foster Care Basic Rate | 0.0 | 2,459 | 3,112 |
| 7. Increase Child Placing Agency Rates | 0.0 | 828 | 1,722 |
| 8. Continuum of Care/Street Youth | 0.0 | 4,400 | 4,400 |
| 9. Improve Child Care Quality | 1.5 | 2,930 | 4,071 |
| 10. Domestic Violence Funding | 0.0 | 0 | 3,182 |
| 11. Victims of Crime Federal Increase | 0.0 | 0 | 4,188 |
| 12. General Inflation | 0.0 | -789 | -1,157 |
| 13. Delay Community Network Funding | 0.0 | 0 | -17,415 |
| 14. Child Dependency Hearings | -10.3 | -11,068 | -16,040 |
| 15. Drug & Alcohol Positive Infants | 0.0 | 0 | 12,275 |
| 16. Welfare Reform Impact-Foster Care | 0.0 | 799 | 1,158 |
| 17. Secure Crisis Center Treatment | 0.3 | 382 | 382 |
| 18. ISSD Administrative Reduction | 0.0 | -130 | -363 |
| 19. Transfer of Child Care to ESA | -24.8 | -39,408 | -67,206 |
| 20. Foster Care Improvements | 0.0 | 1,150 | 1,440 |
| 21. Temporary Assistance(TANF) Transfer | 0.0 | 15,209 | 0 |
| Total Policy Changes | -33.4 | -20,055 | -62,909 |
| Total 1997-99 Biennium | 2,042.4 | 374,003 | 621,609 |
| Difference from 1995-97 | 191.1 | 49,259 | 14,586 |
| % Change from 1995-97 | 10.3% | 15.2% | 2.4% |

Comments:

1. 1997-99 Child Care Vendor Increase - The requirement to conduct a vendor survey of child care providers, and using those results to fund state-paid care at the 75th percentile of this survey, is eliminated with the passage of federal welfare reform. Child care vendors will receive a three percent rate increase. (General Fund-State, General Fund-Federal)

2. Fire Marshal Inspections - Funding is provided for increased fire marshal inspections of child care centers and group care facilities licensed by the division. (General Fund-State)

3. Child Care Provider Training - Provides funding to establish training programs for directors, supervisors, and lead workers at child care homes and child care centers. Funding for grants and scholarships for low-income staff and a tracking system to monitor and enforce the training requirements are included. (General Fund-State)

4. Home Studies for Adoptive Families - Funding is provided for private agencies to undertake 300 more home studies per year at a cost of \$750 per home study.
(General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Children and Family Services

- 5. Adoption Reconsideration #** - Provides funding for 2SHB 1432, which expands the Adoption Support Reconsideration Program to include those children who are at high risk of a future physical, mental or emotional problem from exposure to traumatic conditions prior to adoption. This funding supports the 12 additional children expected to be served each year as a result of this legislation. (General Fund-State)
- 6. Foster Care Basic Rate** - Funding is provided to increase the basic rate for family foster care by \$25 per child per month. (General Fund-State, General Fund-Federal)
- 7. Increase Child Placing Agency Rates** - Funding is provided to increase the reimbursement rates paid to licensed private child placing agencies for foster and adoption services. (General Fund-State, General Fund-Federal)
- 8. Continuum of Care/Street Youth** - Provides funding for alternative response systems to serve street youth and to provide a continuum of care for children in sites throughout the state. (General Fund-State)
- 9. Improve Child Care Quality** - The new federal Child Care and Development Fund requires that a minimum of 4 percent be spent on activities that either increase parental choice or improve the quality and availability of child care. Funding is provided for off-hours child care and the expansion of the resource and referral network. In other policy items, child care provider training is enhanced at a total cost of \$1,160,000 GF-S, and fire marshal inspections of child care centers are fully funded at a total cost of \$262,000 GF-S. These amounts also contribute to meeting the 4% federal expenditure requirement. (General Fund-State, General Fund-Child)
- 10. Domestic Violence Funding** - Federal funding is provided to strengthen existing domestic violence programs and to fund new programs in parts of the state where none exist. Funding for children's advocates to act as case managers in each of the 40 state-supported domestic violence programs is also included. (General Fund-Federal)
- 11. Victims of Crime Federal Increase** - Additional federal funding authority is provided for programs designed to assist sexual assault victims and other victims of crime programs. (General Fund-Federal)
- 12. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 13. Delay Community Network Funding** - Violence Reduction Drug Enforcement (VRDE) funding is reduced based on a two year delay in the requirement that community safety networks receive VRDE funds. Funding is eliminated for evaluation and coordination activities performed by the Family Policy Council. (Violence Reduction Drug Enforcement Account, General Fund-Federal)
- 14. Child Dependency Hearings** - Funding is provided for implementation of SHB 1849 (developmentally disabled children). This bill transfers the dependency hearing process for developmentally disabled children from Children and Family Services to the Developmentally Disabled Division. (General Fund-State, General Fund-Federal)
- 15. Drug & Alcohol Positive Infants** - Funding is provided for implementation of 2SHB 1864 (drug and alcohol positive infants). This bill provides funding for intervention programs for mothers who use illegal drugs or abuse alcohol and for their children who may be born with an addiction. Funds will be used to intervene in those cases where the child is at-risk of an out-of-home placement due to a mothers' use of illegal drugs or alcohol during pregnancy. (General Fund-Federal, Violence Reduction Drug Enforcement Account)
- 16. Welfare Reform Impact-Foster Care** - Additional funding is provided due to the estimated increase in foster care placements and related costs that will occur with the implementation of welfare reform. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Children and Family Services

17. Secure Crisis Center Treatment - Funding is provided to pay for income and resource screening of families whose child is treated at secure crisis centers. Under E2SHB 1938 (at-risk youth), the state is required to pay the cost of treatment for children whose parents are unable to pay the costs of treatment. The amount of \$125,000 is also provided in each fiscal year to fund any expenses incurred by the State Attorney General in the course of defending providers of secure facility services against expected lawsuits. Funds are also provided for the implementation of rules regarding income, resources, and exemptions to determine a parent's ability to pay for a child's treatment at a secure facility. (General Fund-State)

18. ISSD Administrative Reduction - Funding is reduced for administration, planning, and support for the Information Systems Services Division (ISSD). A total of 34 FTEs and related costs are eliminated throughout the 1997-99 biennium. This reduction results in savings for all of the DSHS programs which use ISSD services. (General Fund-State, General Fund-Federal)

19. Transfer of Child Care to ESA - Funding for employment child care is transferred to the Economic Services Administration in accordance with EHB 3901 (Welfare Reform). This legislation directs that all job-related child care be operated through the Economic Services Administration. (General Fund-State, General Fund-Federal)

20. Foster Care Improvements - Funding is provided for a new foster parent liaison position for each of the DSHS regions of the state. These persons will act as central contacts for all foster parents in a region and be capable of responding to questions about a child's history and care needs. Funding is also provided for these liaison offices to lead programs to recruit more foster care and adoptive families, and to retain the foster parents already serving the state. (General Fund-State, General Fund-Federal)

21. Temporary Assistance(TANF) Transfer - With the implementation of the Temporary Assistance to Needy Families (TANF) block grant, additional work and time limit requirements will be placed on families served by the federal funding. These additional requirements will be harder to track at the client level in the Division of Children and Family Services. This item transfers the TANF funding from the Division of Children and Family Services to Economic Services. The same amount of state funding is then transferred out of Economic Services and placed in the Division of Children and Family Services. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Juvenile Rehabilitation
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 1,264.7 | 125,191 | 190,659 |
| 1997-99 Maintenance Level | 1,275.8 | 163,065 | 199,004 |
| Policy Changes: | | | |
| 1. Delay Green Hill Housing Units | -2.5 | -175 | -175 |
| 2. Reduce Institutions Program Mngrs | -4.2 | -446 | -446 |
| 3. Adminstration Reduction | 0.0 | -443 | -443 |
| 4. General Inflation | 0.0 | -606 | -606 |
| 5. Enhanced Sentencing/Gangs# | 6.0 | 625 | 627 |
| 6. Detention Costs For Truants | 0.0 | 50 | 50 |
| 7. Shift Costs to Federal Grants | 0.0 | -100 | -100 |
| 8. ISSD Administrative Reduction | 0.0 | -17 | -20 |
| 9. Assume Internal Best Practices | 0.0 | -568 | -568 |
| 10. Parole Targeting | -18.8 | -1,956 | -2,300 |
| 11. Medical Lake Closure | -39.2 | -4,724 | -4,724 |
| 12. Juvenile Justice Legislation # | -21.9 | -4,759 | -5,012 |
| 13. Local Impact of Juvenile Justice # | 0.0 | 12,264 | 14,706 |
| Total Policy Changes | -80.5 | -855 | 989 |
| Total 1997-99 Biennium | 1,195.3 | 162,210 | 199,993 |
| Difference from 1995-97 | -69.4 | 37,019 | 9,334 |
| % Change from 1995-97 | -5.5% | 29.6% | 4.9% |

Comments:

1. Delay Green Hill Housing Units - Funding is reduced due to delays in opening three new 64-bed housing units at Green Hill School. The opening is delayed from February 1998 to July 1998.

2. Reduce Institutions Program Mngrs - Funding is reduced due to twelve of the Juvenile Rehabilitation Administration's small (16 bed) cottages sharing program managers.

3. Adminstration Reduction - Funding is reduced for administrative costs within JRA.

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

5. Enhanced Sentencing/Gangs# - Funding is provided solely to implement SHB 1522 (criminal street gang activity). Under this bill, an adult or juvenile offender who is found to have committed a felony offense must receive the sentence enhancement if the offense was committed for the benefit of, at the direction of, or in association with a criminal street gang; and with intent to promote, further, or assist in criminal conduct by gang members. If this bill is not enacted by June 30, 1997, this funding shall lapse. (Other funds: General Fund - Federal, General Fund - Local)

6. Detention Costs For Truants - Funding is provided to reimburse counties for the cost of detaining truants. Chronic truants can, after being held in contempt of court, be fined or sentenced to juvenile detention. Counties would be reimbursed at the rate of \$94 per day for detention beds occupied by truants..

7. Shift Costs to Federal Grants - Funding from the state general fund for the early intervention program is reduced by \$100,000 in fiscal year 1998. Funding of \$100,000 from federal Byrne grant funds is provided in the Department of Community Trade and Economic Development budget for the same purpose. Total funding for the program remains unchanged at \$2.35

1997-99 Budget
Dept of Social and Health Services
Juvenile Rehabilitation

million per year.

8. ISSD Administrative Reduction - Reduces funding for administration, planning and support for the Information Services Systems Division (ISSD). A total of 34 FTEs and related costs are eliminated throughout the 1997-99 biennium. This reduction is spread to the programs which use ISSD services through a chargeback system. (General Fund-State, General Fund-Federal)

9. Assume Internal Best Practices - The recently completed Joint Legislative Audit and Review Committee Capacity Study found that staffing efficiencies could be achieved by applying internal best practices. Juvenile Rehabilitation Administration will study their most efficient housing units as they are currently operating. The lessons learned from this analysis will then be applied to similar housing units.

10. Parole Targeting - Currently, the average length of stay for juvenile non-sex offenders is approximately sixteen weeks. Current parole standards require two to three monthly contacts with a parole counselor and participation in available treatment services. Research does not support that this level of parole has a measurable effect on offender behavior. This item eliminates parole for all offenders within the custody of JRA, except sex offenders and approximately 25% of offenders assessed as high-risk. (General Fund-State, General Fund-Federal)

11. Medical Lake Closure - Savings are achieved by not opening the Medical Lake Treatment Center on the grounds of Eastern State Hospital. The facility was planned to have 80 beds and would cost over \$53,000 per bed to operate. The November 1996 juvenile offender forecast projects that the number of offenders housed by JRA will be substantially less than the maximum operating capacity of the system. By not opening the facility and housing the offenders within maximum operating capacity, significant savings are achieved.

12. Juvenile Justice Legislation # - Funding is provided to implement 3SHB 3900 (Juvenile code revisions). The bill automatically transfers jurisdiction of 16 and 17 year old offenders charged with a violent crime to adult court. In addition, the bill also makes numerous changes to both juvenile sentences and sentencing options. The net cost to state and local government is estimated at \$21.7 million in the 1997-99 Biennium. (Other funds: General Fund - Local, General Fund - State).

13. Local Impact of Juvenile Justice # - Funding is provided for the local government impact of 3SHB 3900 (juvenile code revisions). The bill automatically transfers jurisdiction of 16 and 17 year old offenders charged with a violent crime to adult court. In addition, the bill also makes numerous changes to both juvenile sentences and sentencing options. The net cost to state and local government is estimated at \$21.7 million in the 1997-99 Biennium. These funds are to be distributed to counties to offset the impact of the bill. (Other Funds: Violence Reduction and Drug Enforcement Account - State)

1997-99 Budget
Dept of Social and Health Services
Mental Health
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 2,694.1 | 454,364 | 880,691 |
| 1997-99 Maintenance Level | 2,726.0 | 474,051 | 961,317 |
| Policy Changes: | | | |
| 1. Western State Hospital Ward Closure | -31.8 | -834 | -1,412 |
| 2. General Inflation | 0.0 | -1,172 | -1,591 |
| 3. Reduce Admin Requirements | 0.5 | 60 | 60 |
| 4. ISSD Administrative Reduction | 0.0 | -28 | -36 |
| 5. Adjust PHP Rates | 0.0 | -6,671 | -13,898 |
| 6. Implement Phase III Managed Care | 2.0 | -4,102 | -7,043 |
| 7. Balance Health Services Account | 0.0 | 13,617 | 0 |
| Total Policy Changes | -29.3 | 870 | -23,920 |
| Total 1997-99 Biennium | 2,696.7 | 474,921 | 937,397 |
| Difference from 1995-97 | 2.6 | 20,557 | 56,706 |
| % Change from 1995-97 | 0.1% | 4.5% | 6.4% |

Comments:

1. Western State Hospital Ward Closure - Funding is reduced by closing a ward at Western State Hospital. Because of successful coordination between Western State Hospital and the western Washington Regional Support Networks (RSNs), the hospital has operated below budgeted census levels throughout the 1995-97 biennium. Recognizing the role the RSNs played in making the census reduction, one half of the projected savings is transferred from the institutional to the community mental health budget. The western Washington RSNs and the Mental Health Division will cooperatively determine how these funds should be distributed, and whether they would be best used to provide community alternatives to hospital care, or to maintain state hospital capacity. (Other Funds: General Fund-Federal, General Fund-Local)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Reduce Admin Requirements - Funding is provided for the department to continue working with mental health service providers, Regional Support Networks, and various DSHS divisions to streamline the delivery of mental health services and reduce administrative costs.

4. ISSD Administrative Reduction - Funding is reduced for administration, planning, and support functions within the Information Systems Services Division (ISSD). A total of 34 FTEs and related costs are eliminated over the course of the 1997-99 biennium. This reduction results in savings for all of the DSHS programs which use ISSD services through a chargeback system. (Other Funds: General Fund-Federal)

5. Adjust PHP Rates - When the community mental health system converted to a capitated payment system for Medicaid outpatient services, different capitation rates were established for each Regional Support Network (RSN). The rates were based upon actual Medicaid expenditures in each RSN. Because of wide variations in the extent to which community mental health centers in different parts of the state utilized the Medicaid program, capitated payment rates are much lower in some RSNs than others. The rates paid to each RSN are adjusted towards the state-wide weighted average. Under this approach, eleven RSNs will receive more total funding in the 1997-99 biennium than they received in the 1995-97 biennium. The remaining three RSNs will be held harmless at their FY 97 allocation. (Other Funds: General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Mental Health

6. Implement Phase III Managed Care - Starting in 1997, community inpatient hospitalization will be integrated with outpatient services under a single managed care system for all Medicaid-eligible mental health clients. Currently, inpatient services are paid on a fee-for-service basis, while outpatient services are currently paid on a managed care basis. The Regional Support Networks (RSNs) RSNs began managing childrens inpatient admissions in March 1995 and adult admissions in March 1996. As a result of these efforts, voluntary inpatient expenditures were much lower in FY 96 than would have been expected based on previous utilization trends. A portion of the savings is captured here and the balance will be included in capitation payments to organizations managing the integrated system. The share included in capitation payments will be used to administer the integrated system, and to provide case management, outpatient, and other services for persons at risk of hospitalization. (Other Funds: General Fund-Federal)

7. Balance Health Services Account - In order to maintain Basic Health Plan services to the extent possible within available revenues, community mental health services for children covered by Medicaid as a result of the eligibility expansion to 200% of the federal poverty level will be funded with General Fund-State rather than from the Health Services Account. (Other Funds: Health Services Account)

1997-99 Budget
Dept of Social and Health Services
Developmental Disabilities
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 3,410.5 | 384,177 | 724,385 |
| 1997-99 Maintenance Level | 3,364.6 | 403,766 | 772,243 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -841 | -1,576 |
| 2. Reduce Administrative Supports | -1.4 | -402 | -584 |
| 3. Reduce Medicaid Personal Care | 0.0 | -1,183 | -2,440 |
| 4. Child Dependency Hearings | 10.3 | 10,426 | 16,040 |
| 5. ISSD Administrative Reduction | 0.0 | -59 | -74 |
| 6. Manage Cost Per Case Growth | 0.0 | -884 | -1,846 |
| 7. Adult Family Home Quality | 8.0 | 577 | 885 |
| 8. Provider Liability Insurance | 0.0 | 196 | 400 |
| 9. Adult Family Home Training | 1.5 | 274 | 496 |
| 10. 1997-99 High School Graduates | 0.0 | 1,908 | 1,908 |
| 11. Community Protection Initiative | 0.0 | 2,672 | 5,492 |
| 12. Balance Health Services Account | 0.0 | 7,688 | 0 |
| Total Policy Changes | 18.4 | 20,372 | 18,701 |
| Total 1997-99 Biennium | 3,383.0 | 424,138 | 790,944 |
| Difference from 1995-97 | -27.6 | 39,961 | 66,559 |
| % Change from 1995-97 | -0.8% | 10.4% | 9.2% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 2. Reduce Administrative Supports** - Funding is reduced in administration, program management, technical assistance, research, and data analysis. (General Fund-State, General Fund-Federal)
- 3. Reduce Medicaid Personal Care** - The Medicaid Personal Care rate for children cared for in their own homes is reduced. In the past, about 7% of families caring for children in their own home received a supplemental rate. This rate supplement is now eliminated. Funding is also reduced because in-home services are now defined as also being services to children living in their own homes, or the shared living rate of \$564 per month. This second change in funding for DD children residing with their parents would affect approximately 10% of the families receiving community support through the MPC program. (General Fund-State, General Fund-Federal)
- 4. Child Dependency Hearings** - Funding is provided for implementation of SHB 1849 (developmentally disabled children), which transfers the dependency hearing process for developmentally disabled children from Children and Family Services to the Developmentally Disabled Division. (General Fund-State, General Fund-Federal)
- 5. ISSD Administrative Reduction** - Funding is reduced for administration, planning, and support for the Information Systems Services Division (ISSD). A total of 34 FTEs and related costs are eliminated throughout the 1997-99 biennium. This reduction results in savings for all of the DSHS programs which use ISSD services. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Developmental Disabilities

6. Manage Cost Per Case Growth - Enrollment in the Medicaid Personal Care program is forecasted to increase by 11% for adults and 23% for children during the 1997-1999 biennium. Funding is reduced to the FY 1997 average cost level per client, with the addition of a 3% vendor rate increase. The legislature encourages the department to contain costs by standardization of assessments across regions and the use of less expensive forms of support. If the division is unable to control costs per client and remain within the personal care appropriation, DSHS will adjust service levels or limit service to only persons qualified for benefits under 200% of Federal Poverty Level (FPL). Currently, under a federal waiver, families whose income exceeds 200% of FPL are being provided services. (General Fund-State, General Fund-Federal)

7. Adult Family Home Quality - Funding is provide for staff to visit developmentally disabled clients residing in adult family homes on a more frequent basis. This will increase monitoring and may improve the quality of services provided in these facilities. Case manager reviews will increase to approximately 4 times per year per adult family home. (General Fund-State, General Fund-Federal)

8. Provider Liability Insurance - During the 1995-97 Biennium, "hold harmless" provisions for community residential providers serving dangerous clients were eliminated from their contracts. With the loss of state liability coverage, providers are now required to purchase private liability insurance premiums. Recognizing the cost increase this poses to providers, funding is provided for the increased cost of these premiums to avoid erosion of the provider reimbursement rates. (General Fund-State, General Fund-Federal)

9. Adult Family Home Training - Provides funding for specialized training of staff in the needs of developmentally disabled clients being served in adult family homes. Funding is provided for 20 hours of additional specialized training and ten hours per year of follow-up training, consultation, and staff support for providers of adult family homes serving this population. (General Fund-State, General Fund-Federal)

10. 1997-99 High School Graduates - Provides funding for developmentally disabled children enrolled in high school who turn 21 during the 1997-99 biennium. These persons are no longer served by the school system after age 21. Funding in the Vocational Rehabilitation Division of DSHS will open slots for HS graduates to receive up to one year of job training through the high school transition program. Some 444 graduates in FY98 and 449 graduates in FY 1999 will be served. If the results for these graduates are consistent with graduates served since 1993, roughly 45% of those entering the program will enter competitive employment positions after completing vocational rehabilitation training. (General Fund-State)

11. Community Protection Initiative - Provides funding to serve 40 developmentally disabled clients considered to be a danger to themselves or others. These clients were placed in more secure intensive tenant support (ITS) settings with 24-hour supervision during FY 1997. This represents the cost of treating these persons in more expensive placements during the 1997-99 biennium. These clients have histories of sexual violence, physical assault, and arson and are considered high risks to the communities where they live. (General Fund-State, General Fund-Federal)

12. Balance Health Services Account - Funding for enrollment of workers in the Basic Health Plan is transferred from the Health Services Account to the State General Fund. (General Fund-State)

1997-99 Budget
Dept of Social and Health Services
Long-Term Care Services
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 622.5 | 765,744 | 1,547,198 |
| 1997-99 Maintenance Level | 857.5 | 836,380 | 1,753,263 |
| Policy Changes: | | | |
| 1. Reduce Nursing Facility Caseload | 0.0 | -1,885 | -3,931 |
| 2. Revise Adult Day Health Eligibility | 0.0 | -1,481 | -3,088 |
| 3. General Inflation | 0.0 | -147 | -280 |
| 4. Manage Cost per Case Growth | 0.0 | -17,978 | -36,340 |
| 5. ISSD Administrative Reduction | 0.0 | -51 | -106 |
| 6. Basic Health Plan Underexpenditure | 0.0 | 0 | -3,591 |
| 7. Residential Care Quality Assurance | 8.2 | 393 | 874 |
| 8. Enhanced IPP Case Management | 0.0 | 773 | 1,546 |
| Total Policy Changes | 8.2 | -20,376 | -44,916 |
| Total 1997-99 Biennium | 865.7 | 816,004 | 1,708,347 |
| Difference from 1995-97 | 243.3 | 50,260 | 161,149 |
| % Change from 1995-97 | 39.1% | 6.6% | 10.4% |

Comments:

1. Reduce Nursing Facility Caseload - Funding is reduced to reflect nursing facility census reductions. The statewide nursing facility census is forecast to decline by 30 residents per month during the 97-99 biennium. (General Fund-State, General Fund-Federal)

2. Revise Adult Day Health Eligibility - Eligibility standards for adult day health services are tightened which reduces the rate of growth in the program. The program is projected to grow at approximately 10% per year, more than twice the projected growth in the population aged 85 and over, but less than the 25% per year rate it has grown the past several years. (General Fund-State, General Fund-Federal)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Manage Cost per Case Growth - Funding is provided using FY 1997 average costs per client for adult clients enrolled in the Medicaid Personal Care program. If DSHS finds it is unable to reduce cost growth through innovative and more flexible methods of service delivery, the agency will adjust eligibility in the Community Options Program Entry System (COPES) program as required under current state law. (General Fund-State, General Fund-Federal)

5. ISSD Administrative Reduction - Funding is reduced for administration, planning, and support for the Information Systems Services Division (ISSD). A total of 34 FTEs and related costs are eliminated throughout the 1997-99 biennium. This reduction results in savings for all of the DSHS programs which use ISSD services. (General Fund-State, General Fund-Federal)

6. Basic Health Plan Underexpenditure - The Health Services Account is adjusted for fewer home-care workers enrolling in the Basic Health Plan than was originally anticipated. (Health Services Account)

7. Residential Care Quality Assurance - Funding provided increases inspection frequency from once every 15 months to once every 12 months. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Long-Term Care Services

8. Enhanced IPP Case Management - Funding is provided for more frequent contact with new clients receiving in-home care through individual providers. Funding and additional FTE staff will make weekly telephone calls to clients new to the service within the past 6 months, and allows for intensive intervention services. The adult population addressed through this issue consists of COPES and Nursing Facility Level of Care eligible clients. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Economic Services
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 3,537.9 | 996,751 | 1,840,942 |
| 1997-99 Maintenance Level | 3,457.4 | 1,068,031 | 1,865,553 |
| Policy Changes: | | | |
| 1. 1997-99 Child Care Vendor Increase | 0.0 | 0 | 9,275 |
| 2. Transfer of Employment Child Care | 24.8 | 39,408 | 67,206 |
| 3. SSI State Supplemental Payment | 0.0 | -3,789 | -3,789 |
| 4. GAU Naturalization Effort | 0.0 | -12,134 | -12,134 |
| 5. Health Services Account Reduction | 0.0 | 0 | -750 |
| 6. General Inflation | 0.0 | -1,502 | -2,648 |
| 7. Integrated Child Care System | 0.0 | 0 | 73,129 |
| 8. Eliminate GAU Vocational Factors | -3.1 | -23,114 | -23,114 |
| 9. Newly Arriving Aliens | 0.0 | -2,869 | -2,869 |
| 10. ISSD Administrative Reduction | 0.0 | -390 | -781 |
| 11. Welfare Reform Legislation | -43.7 | 0 | 29,449 |
| 12. Temporary Assistance(TANF) Transfer | 0.0 | -15,209 | 0 |
| Total Policy Changes | -22.0 | -19,599 | 132,974 |
| Total 1997-99 Biennium | 3,435.4 | 1,048,432 | 1,998,527 |
| Difference from 1995-97 | -102.5 | 51,681 | 157,585 |
| % Change from 1995-97 | -2.9% | 5.2% | 8.6% |

Comments:

1. 1997-99 Child Care Vendor Increase - All child care vendors will have their rates increased by three percent on July 1, 1997. (General Fund-Federal)

2. Transfer of Employment Child Care - Funding is transferred for the Employment Child Care Program from the Division of Children and Family Services to Economic Services as part of the creation of a single integrated, subsidized child care system. (General Fund-State, General Fund-Federal)

3. SSI State Supplemental Payment - Because of changes in Supplemental Security Income (SSI) eligibility at the federal level, the caseload for SSI will decline dramatically beginning in January 1997. In light of these changes, savings result by returning to a standard per person payment level as opposed to the program-wide lidded budget which has been in place since the beginning of the 1995-97 biennium. The change in the basis for payment was effective beginning on January 1, 1997.

4. GAU Naturalization Effort - Funding is provided to assist legal immigrants initiate the citizenship process that will aid them to retain or regain their Social Security Income (SSI) as early as possible. The costs of naturalization include a fee for community based organizations to hold ten week bilingual citizenship training classes, plus application fees charged by the Immigration and Naturalization Service. The overall savings reflect the estimated General Assistance-Unemployable (GA-U) caseload savings as clients obtain citizenship and regain their eligibility under SSI.

5. Health Services Account Reduction - With enrollments in the Basic Health Plan frozen at 133,000, funding is no longer required for enrollment outreach in the Community Services Offices. (Health Services Account-State)

6. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Dept of Social and Health Services
Economic Services

7. Integrated Child Care System - Funding is provided to increase access to subsidized child care for additional families who need help in meeting the cost of child care. The Washington WorkFirst program creates a single integrated child care system that helps Temporary Assistance for Needy Families recipients and low wage families pay for the cost of child care. (General Fund-Federal)

8. Eliminate GAU Vocational Factors - Funding is reduced for the General Assistance-Unemployable program based on eliminating vocational factors as a contributing factor to eligibility.

9. Newly Arriving Aliens - As part of EHB 3901 (implementing the federal personal responsibility and work opportunity act), newly arriving legal aliens, will not be able to receive General Assistance-Unemployable for five years or until they become citizens. After five years, legal aliens will have eligibility determined based on their own income as well as their sponsor's income.

10. ISSD Administrative Reduction - Funding is reduced for FTE staff and related costs in the planning, administrative and systems support, and "budget challenge" sections of the Information Systems Support Division (ISSD). Cost reductions are spread to DSHS programs utilizing ISSD services. (General Fund-Federal)

11. Welfare Reform Legislation - EHB 3901 (implementing the federal personal responsibility and work opportunity act) places a two year lifetime limit on recipients of Temporary Assistance for Needy Families (TANF) and requires most families to participate in work or work preparation activities as a condition of receiving assistance. The DSHS is directed by EHB 3901 to reduce TANF caseloads by 15 percent. Additional federal funding and savings from these caseload reductions provide funding for a mandatory work program (\$54 million), a state-only food assistance program for legal aliens (\$44 million), alcohol and substance abuse treatment for some recipients, and an evaluation of the effectiveness of the program in helping families to achieve self-sufficiency. Approximately \$24 million of the TANF block grant is provided to the Department to be set aside for use in a significant economic downturn. (General Fund-Federal)

12. Temporary Assistance(TANF) Transfer - With the implementation of the Temporary Assistance to Needy Families (TANF) block grant, additional work and time limit requirements are placed on families served by the federal funding. Compliance with these additional requirements will be difficult to track at the client level in the Division of Children and Family Services. TANF federal funding is transferred from the Division of Children and Family Services and consolidated in Economic Services where systems to track work and time on assistance are in place. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Alcohol & Substance Abuse
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 102.2 | 21,043 | 174,615 |
| 1997-99 Maintenance Level | 102.7 | 24,472 | 177,665 |
| Policy Changes: | | | |
| 1. Referral and Monitoring Agency | 0.0 | 0 | -950 |
| 2. Fetal Alcohol Syndrome | 0.0 | 0 | 3,072 |
| 3. Treatment For SSI/SSDI Persons | 0.0 | 3,506 | 5,506 |
| 4. General Inflation | 0.0 | -68 | -68 |
| 5. Reduce Administration | -7.0 | -370 | -616 |
| 6. ISSD Administrative Reduction | 0.0 | -14 | -14 |
| 7. Refocus Treatment to Outpatient | 0.0 | 0 | -6,013 |
| 8. Balance Health Services Account | 0.0 | 970 | 0 |
| Total Policy Changes | -7.0 | 4,024 | 917 |
| Total 1997-99 Biennium | 95.7 | 28,496 | 178,582 |
| Difference from 1995-97 | -6.5 | 7,453 | 3,967 |
| % Change from 1995-97 | -6.4% | 35.4% | 2.3% |

Comments:

1. Referral and Monitoring Agency - In the spring of 1996, Congress eliminated drug or alcohol addiction as a primary qualifying condition for the Supplemental Security Income (SSI) program. Consequently, federal funding was also eliminated for employment and case management services for drug and alcohol addicted clients on SSI. (General Fund-Federal)

2. Fetal Alcohol Syndrome - The Birth to Three/Child Assistance Program provides services to high risk mothers to prevent future births of drug or alcohol addicted babies. Funding is provided to maintain operations in Seattle and Tacoma and expand to Spokane and Yakima. (Violence Reduction and Drug Enforcement Account-State)

3. Treatment For SSI/SSDI Persons - As of January 1, 1997, 4,700 individuals received SSI and Social Security Disability Income (SSDI) benefits due to an alcoholism or drug addiction disability. Of these, it is anticipated that 50 percent will qualify for SSI/SSDI benefits under another disability criteria. Funding is provided for the provision of Alcoholism and Drug Abuse Treatment and Support Act (ADATSA) services to 510 of the estimated 2,350 individuals who are no longer are eligible for SSI/SSDI benefits. (Other funds: General Fund-Federal)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

5. Reduce Administration - Administrative staff and costs are reduced from 33 percent to 20 percent of total division costs, based on the Department of Personnel's definition of administrative activities. (General Fund-Federal)

6. ISSD Administrative Reduction - Funding is reduced for FTE staff and related costs in the planning, administrative and systems support sections of the Information Systems Support Division (ISSD). Cost reductions are spread to DSHS programs utilizing ISSD services.

7. Refocus Treatment to Outpatient - Funding is realigned to reflect decreased use of inpatient treatment (20 percent of clients) and increased use of outpatient treatment (80 percent of clients). According to a one day national patient census conducted by the National Drug and Alcohol Treatment Unit Survey, 14 percent of patients receive residential alcohol or substance abuse treatment. This compares to the division's current practice of placing up to 29 percent of clients in inpatient settings. (Violence Reduction and Drug Education Account)

1997-99 Budget
Dept of Social and Health Services
Alcohol & Substance Abuse

8. Balance Health Services Account - To balance the Health Services Account (HSA), funding for the fetal alcohol syndrome diagnostic center and treatment of drug or alcohol addicted youth is shifted from the HSA to the General Fund--State. (Health Services Account-State)

1997-99 Budget
Dept of Social and Health Services
Medical Assistance Payments
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 738.7 | 1,328,205 | 3,510,751 |
| 1997-99 Maintenance Level | 794.3 | 1,401,231 | 4,011,692 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -390 | -995 |
| 2. Caseload Decline Due to WorkFirst | 0.0 | -3,941 | -8,223 |
| 3. Eliminate GAU Vocational Factors | 0.0 | -12,090 | -10,090 |
| 4. Newly Arriving Aliens | 0.0 | -1,518 | -2,741 |
| 5. Trauma Care | 0.0 | 1,500 | 1,500 |
| 6. ISSD Administrative Reduction | 0.0 | -11 | -30 |
| 7. Hospital Savings | 0.0 | -2,310 | -4,828 |
| 8. Managed Care Per Capitas | 0.0 | -18,260 | -49,754 |
| 9. Reduce Drug Ingredient Payment | 0.0 | -4,620 | -9,473 |
| 10. Providers Provide Interpreters | 0.0 | -7,600 | -18,520 |
| 11. Constraint of Fee-for-Service | 0.0 | -7,046 | -15,777 |
| 12. Premiums for Able-Bodied Adults | 11.0 | -5,472 | -11,525 |
| 13. Targeted Vendor Rate Increase | 0.0 | 673 | 1,400 |
| 14. Balance Health Services Account | 0.0 | 30,313 | 0 |
| Total Policy Changes | 11.0 | -30,772 | -129,056 |
| Total 1997-99 Biennium | 805.2 | 1,370,459 | 3,882,636 |
| Difference from 1995-97 | 66.6 | 42,254 | 371,885 |
| % Change from 1995-97 | 9.0% | 3.2% | 10.6% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 2. Caseload Decline Due to WorkFirst** - With the additional funding provided for the WorkFirst program, a decrease in Temporary Assistance for Needy Families (TANF) caseloads is expected. Funding is reduced to reflect the associated medical assistance savings. (General Fund-State, General Fund-Federal)
- 3. Eliminate GAU Vocational Factors** - Funding is reduced for the General Assistance-Unemployable program based on eliminating vocational factors as a contributor to eligibility.
- 4. Newly Arriving Aliens** - As part of EHB 3901 (implementing the federal personal responsibility and work opportunity act), newly arriving legal aliens will not be able to receive Temporary Assistance for Needy Families or General Assistance-Unemployable for five years or until they become citizens. After five years, legal aliens will have eligibility determined based on their own income as well as their sponsor's income. Funding is also provided for adults to continue to be eligible for emergency and maternity care and children to continue to receive medical care services in the state-only medical program. (Other funds: General Fund-Federal)
- 6. ISSD Administrative Reduction** - Funding is reduced for FTE staff and related costs in the planning, administrative and systems support sections of the Information Systems Support Division (ISSD). Cost reductions are spread to DSHS programs utilizing ISSD services. (Other funds: General Fund-Federal)
- 7. Hospital Savings** - Funding is reduced to reflect savings from greater discounts through the expansion of selective contracting. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Medical Assistance Payments

8. Managed Care Per Capitas - Funding is reduced due to savings achieved by limiting managed care per capita spending increases to two percent annually. (General Fund-State, General Fund-Federal, Health Services Account-State)

9. Reduce Drug Ingredient Payment - Medical Assistance currently pays drug ingredient costs at 89 percent of average wholesale price or at maximum allowable cost (MAC) for certain multiple-source drugs. This option reduces drug ingredient payments to 85 percent of average wholesale price for non-MAC drugs. (Other funds: General Fund-Federal)

10. Providers Provide Interpreters - Currently, Medical Assistance pays directly for interpreter services. Funding for direct payment is eliminated and the responsibility for supplying interpreter services is placed on providers. Funding is maintained to continue the use of AT&T interpreter lines. (Other funds: General Fund-Federal)

11. Constraint of Fee-for-Service - Non-inpatient hospital fee-for-service payments, except drug ingredient costs and durable medical equipment acquisition costs, are adjusted downward prior to applying any vendor rate increase. (Other funds: General Fund-Federal)

12. Premiums for Able-Bodied Adults - Savings are achieved through a \$10 monthly premium charged to all able-bodied adults for Medical Assistance coverage. Since a Federal waiver is required for this charge, savings are not assumed until Fiscal Year 1999. Administrative costs associated with requesting the waiver and implementing copayment collections are also recognized. (General Fund-State, General Fund-Federal)

13. Targeted Vendor Rate Increase - Air ambulance providers are currently paid 12.45% of billed charges. Reimbursement rates in Washington are substantially lower than in neighboring states. Funding is provided to increase payments to 33% of billed charges.

14. Balance Health Services Account - To balance the Health Services Account (HSA), funding for the Medically Indigent program is transferred from the HSA to the General Fund--State. (Other funds: Health Services Account-State)

1997-99 Budget
Dept of Social and Health Services
Vocational Rehabilitation
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|-----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 336.2 | 15,876 | 92,814 |
| 1997-99 Maintenance Level | 337.4 | 15,902 | 93,362 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -22 | -150 |
| 2. Basic/Support Employment Grant | 0.0 | 495 | 2,401 |
| 3. ISSD Administrative Reduction | 0.0 | -10 | -40 |
| 4. 1997-99 High School Graduates | 0.0 | 869 | 4,077 |
| Total Policy Changes | 0.0 | 1,332 | 6,288 |
| Total 1997-99 Biennium | 337.4 | 17,234 | 99,650 |
| Difference from 1995-97 | 1.3 | 1,358 | 6,836 |
| % Change from 1995-97 | 0.4% | 8.6% | 7.4% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 2. Basic/Support Employment Grant** - Funding is provided for the required state match for the Basic Support Rehabilitation Services and the Support Employment Program. (General Fund-State, General Fund-Federal)
- 3. ISSD Administrative Reduction** - Reduces funding for administration, planning, and support for the Information Systems Services Division (ISSD). A total of 34 FTEs and related costs are eliminated throughout the 1997-99 biennium. This reduction results in savings for all of the DSHS programs which use ISSD services. (Other Funds: General Fund-Federal)
- 4. 1997-99 High School Graduates** - Provides funding for developmentally disabled children enrolled in high school who turn 21 during the 97-99 biennium. These persons are no longer served by the school system after age 21. Funding will open slots for high school graduates to receive up to one year of job training through the high school transition program. Some 444 graduates in FY98 and 449 graduates in FY 1999 will be served. If the results for these graduates are consistent with graduates served since 1993, roughly 45% of those entering the program will enter competitive employment positions after completing vocational rehabilitation training. (General Fund-State, General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Administration/Support Svcs
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 741.2 | 53,792 | 99,518 |
| 1997-99 Maintenance Level | 709.2 | 51,782 | 95,249 |
| Policy Changes: | | | |
| 1. License Suspension # | 3.0 | 119 | 350 |
| 2. General Inflation | 0.0 | -287 | -550 |
| 3. Administrative Reduction | -34.0 | -2,000 | -3,600 |
| 4. Reduce Sexual Minority Initiative | 0.0 | -100 | -100 |
| 5. Local Fraud Investigation Pilot | 0.0 | 60 | 60 |
| 6. ISSD Administrative Reduction | 0.0 | -177 | -319 |
| 7. Regulatory Reform | 7.1 | 625 | 962 |
| Total Policy Changes | -23.9 | -1,760 | -3,197 |
| Total 1997-99 Biennium | 685.3 | 50,022 | 92,052 |
| Difference from 1995-97 | -55.9 | -3,770 | -7,466 |
| % Change from 1995-97 | -7.5% | -7.0% | -7.5% |

Comments:

1. License Suspension # - The Washington WorkFirst program provides for holding, suspending, or restricting the use of drivers, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is provided for the additional workload and hearings plus the estimated child support collections which may result. (General Fund-State, General Fund-Federal)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Administrative Reduction - The department will reduce central administrative functions. (General Fund-State, General Fund-Federal)

4. Reduce Sexual Minority Initiative - The department is prohibited from spending any funds on the sexual minority initiative in the Office of Access and Equity.

6. ISSD Administrative Reduction - Funding is reduced for FTE staff and related costs in the planning, administrative and systems support sections of the Information Systems Support Division (ISSD). Cost reductions are spread to DSHS programs utilizing ISSD services. (Other funds: General Fund-Federal)

7. Regulatory Reform - Funding is provided for the implementation of HB 1032 (regulatory reform). DSHS must perform cost/benefit analysis of new rules. Funding is contingent upon passage of the legislation. (General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Child Support Services
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|-----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 1,361.0 | 39,685 | 213,934 |
| 1997-99 Maintenance Level | 1,362.7 | 41,938 | 220,908 |
| Policy Changes: | | | |
| 1. State Directory of New Hires # | 0.0 | 236 | 693 |
| 2. Paternity Establishment # | 1.1 | 89 | 259 |
| 3. License Suspension # | 6.1 | 474 | 1,255 |
| 4. General Inflation | 0.0 | -738 | -2,170 |
| 5. ISSD Administrative Reduction | 0.0 | -158 | -463 |
| Total Policy Changes | 7.2 | -97 | -426 |
| Total 1997-99 Biennium | 1,369.9 | 41,841 | 220,482 |
| Difference from 1995-97 | 8.9 | 2,156 | 6,548 |
| % Change from 1995-97 | 0.7% | 5.4% | 3.1% |

Comments:

1. State Directory of New Hires # - Effective no later than October 1, 1998, all employers are required to furnish, within 20 days, new hire data to the State Directory of New Hires. Currently employers under six Standard Industrial Classification (SIC) codes report new hires. The Personal Responsibility and Work Opportunity Act of 1996 (federal welfare legislation) adds another 77 SIC codes. (General Fund-State, General Fund-Federal)

2. Paternity Establishment # - The Personal Responsibility and Work Opportunity Act of 1996 (federal welfare legislation) requires states to establish parentage for 90 percent of the children in their child support caseload effective October 1, 1999). Previously, parentage had to be established for 75 percent of the caseload. Funding is provided to increase outreach to parents at local hospitals. (General Fund-State, General Fund-Federal)

3. License Suspension # - The Washington WorkFirst program provides for holding, suspending, or restricting the use of drivers, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is provided for the additional workload and hearings plus the estimated child support collections which may result. (General Fund-State, General Fund-Federal)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

5. ISSD Administrative Reduction - Funding is reduced for FTE staff and related costs in the planning, administrative and systems support sections of the Information Systems Support Division (ISSD). Cost reductions are spread to DSHS programs utilizing ISSD services. (Other funds: General Fund-Federal)

1997-99 Budget
Dept of Social and Health Services
Payments to Other Agencies
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 42,648 | 59,335 |
| 1997-99 Maintenance Level | 0.0 | 49,074 | 66,982 |
| Policy Changes: | | | |
| 1. License Suspension # | 0.0 | 612 | 1,798 |
| 2. General Inflation | 0.0 | -31 | -50 |
| 3. Targeted Vendor Rate Increase | 0.0 | 45,699 | 85,014 |
| Total Policy Changes | 0.0 | 46,280 | 86,762 |
| Total 1997-99 Biennium | 0.0 | 95,354 | 153,744 |
| Difference from 1995-97 | 0.0 | 52,706 | 94,409 |
| % Change from 1995-97 | 0.0% | 123.6% | 159.1% |

Comments:

1. License Suspension # - The Washington WorkFirst program provides for holding, suspending, or restricting the use of driver's, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is included for the additional workload and hearings plus the estimated child support collections which may result. (General Fund-State, General Fund-Federal)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Targeted Vendor Rate Increase - Funding is provided for vendor rate increases throughout DSHS. The department will target the vendor rate increases to more effectively deal with services where there is a lack of qualified suppliers. The amount included is equal to the cost of a 3% vendor rate increase effective July 1, 1997. (Other Funds: General Fund - Federal, Health Services Account - State, Violence Reductions and Drug Enforcement Account - State)

1997-99 Budget
Dept of Social and Health Services
Information System Services
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 187.0 | 0 | 0 |
| 1997-99 Maintenance Level | 179.0 | 0 | 0 |
| Policy Changes: | | | |
| 1. ISSD Administrative Reduction | -23.5 | 0 | 0 |
| Total Policy Changes | -23.5 | 0 | 0 |
| Total 1997-99 Biennium | 155.5 | 0 | 0 |
| Difference from 1995-97 | -31.5 | 0 | 0 |
| % Change from 1995-97 | -16.8% | 0.0% | 0.0% |

Comments:

1. ISSD Administrative Reduction - Reduces funding for administration, planning, and support for the Information Systems Services Division (ISSD). A total of 34 FTEs and related costs are eliminated throughout the 1997-99 biennium. This reduction results in savings for all of the DSHS programs which use ISSD services. (General Fund-State, General Fund-Federal)

1997-99 Budget
Columbia River Gorge Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 9.3 | 593 | 1,131 |
| 1997-99 Maintenance Level | 9.3 | 605 | 1,155 |
| Policy Changes: | | | |
| 1. Grants to Gorge Counties | 0.0 | 240 | 480 |
| 2. General Inflation | 0.0 | -4 | -8 |
| 3. Operating Reduction | -7.0 | -406 | -757 |
| Total Policy Changes | -7.0 | -170 | -285 |
| Total 1997-99 Biennium | 2.3 | 435 | 870 |
| Difference from 1995-97 | -7.0 | -158 | -261 |
| % Change from 1995-97 | -75.3% | -26.6% | -23.1% |

Comments:

1. Grants to Gorge Counties - Each of the three gorge counties will receive \$80,000 to plan and administer the Scenic Area Act. If a gorge county has not adopted an ordinance to implement the act, the Commission may use the funds to implement the act for the county.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Operating Reduction - Commission costs are reduced. Funds are shifted to the counties for administration and implementation of the Scenic Areas Act.

1997-99 Budget
Department of Ecology
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------------|---------|----------------------|---------|
| 1995-97 Estimated Expenditures | 1,474.6 | 45,124 | 246,868 |
| 1997-99 Maintenance Level | 1,412.8 | 45,966 | 239,389 |
| Policy Changes: | | | |
| 1. State/Federal Relations | 0.0 | -50 | -50 |
| 2. Administration Program Reductions | -9.0 | -1,058 | -1,058 |
| 3. Reduced Project Coordination | -1.5 | -179 | -179 |
| 4. Sediment Management | 0.0 | -89 | -89 |
| 5. Reduce Bi-State Columbia River | -3.5 | 0 | -1,500 |
| 6. Staff Savings Shifted to Capital | -7.0 | 0 | -1,000 |
| 7. Water Resources Infrastructure | 10.0 | 3,055 | 3,055 |
| 8. Local Watershed Planning | 0.0 | 6,000 | 6,000 |
| 9. Other Water Legislation | 0.0 | 400 | 400 |
| 10. Toxic Cleanups | 13.1 | 0 | 2,202 |
| 11. Prevention and Clean Up of Litter | 8.0 | 0 | 4,496 |
| 12. Intertanko Lawsuit | 0.0 | 0 | 240 |
| 13. Office of Marine Safety Merger | 0.0 | 0 | 80 |
| 14. Community Watershed Assistance | 2.0 | 345 | 345 |
| 15. Solid Waste Permit Renewals # | -1.1 | 0 | -59 |
| 16. Puget Sound Action Plan | 3.5 | 528 | 528 |
| 17. Biosolids Funding (HB 1613) | 2.5 | 0 | 356 |
| 18. General Inflation | 0.0 | -179 | -962 |
| 19. Programmatic Adjustments | 0.0 | 0 | -3,510 |
| 20. Landscape Management Plan Pilots | 1.0 | 128 | 128 |
| 21. Grain Facility Air Inspections | -0.7 | 0 | -91 |
| 22. Environmental Excellence Program | 1.7 | 0 | 258 |
| 23. Waste Reduct/Recycle/Litter FY98 | 0.0 | 0 | -5,166 |
| 24. License Suspension # | 0.2 | 17 | 17 |
| 25. Regulatory Reform | 3.2 | 198 | 717 |
| Total Policy Changes | 22.3 | 9,116 | 5,158 |
| Total 1997-99 Biennium | 1,435.1 | 55,082 | 244,547 |
| Difference from 1995-97 | -39.5 | 9,958 | -2,321 |
| % Change from 1995-97 | -2.7% | 22.1% | -0.9% |

Comments:

1. State/Federal Relations - A reduction is made to the state general fund support of the Nuclear Waste Management program. Sufficient funds remain to continue representing the state's interest when negotiating with the federal government on nuclear waste management issues.

2. Administration Program Reductions - General fund state support to the administration program is reduced by approximately 10 percent. Areas to be reduced include the fiscal office, employee services, telecommunications, graphic design, the public information office, and the library.

3. Reduced Project Coordination - Staff responsible for issuing water quality certifications for construction projects, evaluating projects to determine consistency with the Coastal Zone Management Act, and coordinating permits will be reduced.

**1997-99 Budget
Department of Ecology**

4. Sediment Management - Reduces funding for the Sediment Management program. Efforts to reduce sediments in stormwater and establish cleanup standards for contaminated sediments are delayed. Funding is no longer provided for contracts to help establish freshwater sediment criteria, human health sediment quality criteria, and update current standards based on new scientific information.

5. Reduce Bi-State Columbia River - For several years the Department has participated with representatives from industry, local government, and the state of Oregon regarding the water quality problems of the Lower Columbia River. Now that the area has become part of the National Estuary Program these activities can be supported to a greater extent by federal funds. Sufficient state funding is maintained to match federal money for the program. (State Toxics Control Account)

6. Staff Savings Shifted to Capital - Referendum 26 was adopted by a vote of the people in 1972 and authorized \$225 million in bonds for waste management and water pollution control facilities. Given that the majority of these funds have been spent and grant projects completed, staff can be phased out. The majority of the remaining funds are shifted to the Capital budget. (Referendum 26)

7. Water Resources Infrastructure - Funding is provided for the Department to process water right applications, continue the development of the water resources data management system, and provide technical assistance to local watershed planning efforts.

8. Local Watershed Planning - Funding is provided for the development of local watershed plans consistent with 2SHB 2054 (water resource management). Once a planning group has been organized, it may apply to the Department for \$500,000 per Water Resource Inventory Area (WRIA) in funding assistance. Assistance is provided on a first come, first serve basis to the extent of the appropriation. Preference is given to planning units that are planning for more than one WRIA.

10. Toxic Cleanups - Funding is provided to implement the recommendations of the Model Toxics Control Act Policy Advisory Committee. Ecology will recover approximately \$2 million through enhanced technical assistance to owners of contaminated sites. The recommendations include: implementing a site-specific risk assessment to modify the cleanup process to allow more flexibility; increasing technical assistance to increase the number of sites voluntarily cleaned up; allowing prospective purchaser agreements to facilitate the development and transfer of contaminated facilities; and providing additional opportunities for communities to be involved in making clean up decisions. (State Toxics Control Account, Local Toxics Control Account)

11. Prevention and Clean Up of Litter - Funding is provided for the Department of Ecology's Solid Waste program to: increase grants to local governments for litter pick up and support of local volunteer litter clean up efforts; add Ecology Youth Corps crews to pick up litter on the state's highways; conduct a litter survey to evaluate trends in the amount and location of litter and to evaluate and improve the effectiveness of litter collection programs; and conduct a statewide public education campaign to control litter and promote recycling. (Waste Reduction, Recycling and Litter Control Account)

12. Intertanko Lawsuit - Increased attorney general services and expert witness costs are required for the appeal of the District Court's decision on the Intertanko lawsuit. (Oil Spill Administration Account)

13. Office of Marine Safety Merger - One-time funding is provided to address moving costs associated with the merger of the Office of Marine Safety into the Department of Ecology. (Oil Spill Administration Account)

15. Solid Waste Permit Renewals # - The Department of Ecology has proposed legislation that would enable local health departments to renew solid waste management facility permits every five years, rather than the current mandate for annual renewal. This change will result in administrative savings. (Waste Reduction, Recycling, and Litter Control Account)

16. Puget Sound Action Plan - Funding is provided to expand the monitoring effort in Puget Sound and to restore degraded wetlands through a watershed based wetland restoration program. This is a component of the Puget Sound Water Quality Action Plan.

17. Biosolids Funding (HB 1613) - Appropriation authority is provided for implementation of a new biosolids permitting program, as provided in Substitute House Bill 1613 (biosolids management program). (Biosolids Permit Account)

**1997-99 Budget
Department of Ecology**Friday, Apr. 04, 1997
8:36 am

18. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

19. Programmatic Adjustments - Several of DOE's programs will experience reductions as a result of increased operating costs and/or revenue shortfalls. For example, fewer dollars will be available to clean up tire piles, address air quality, mitigate fresh water weeds, and provide flood control assistance. (General Fund-Private/Local, Flood Control Assistance Account, Vehicle Tire Recycling Account, Wood Stove Education and Enforcement Account, State Toxics Control Account, Air Pollution Control Account, Air Operating Permit Account, Freshwater Aquatic Weeds Account, Metals Mining Account)

20. Landscape Management Plan Pilots - Funding is provided to implement five landscape management pilot projects as an alternative to issuing forest practice permits. The pilot projects are authorized in Substitute House Bill 1985. The Departments of Fish and Wildlife and Natural Resources will assist in the pilot projects.

21. Grain Facility Air Inspections - Funding is reduced for air quality work associated with small grain facilities based on Substitute House Bill 1033 (grain facility clean air req). Under the provisions of the bill, grain handling facilities that handle less than 10 million bushels of grain annually no longer have to re-register with the Department's air quality program each year.

22. Environmental Excellence Program - Funding is provided to implement Engrossed Second Substitute House Bill 1866 (Environmental excellence). (State Toxics Control Account, Water Quality Permit Account, Air Operating Permit Account)

24. License Suspension # - The Personal Responsibility and Work Opportunity Act of 1996 (federal welfare legislation) requires states to have laws providing for holding, suspending, or restricting the use of driver's, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is provided for the additional workload associated with the license suspension.

25. Regulatory Reform - Funding is provided for the implementation of Engrossed Second Substitute House Bill 1032 (regulatory reform). (General Fund Federal, State Toxics Control Account, Water Quality Permit Account, Air Pollution Control Account, Flood Control Assistance Account, Waste Reductions/Recycling/ Litter Control account, Oil Spill Administration Account, Water Quality Account, Air Operating Permit Account,)

*** Yakima Adjudication** - A technical adjustment is made to carry-forward funding that was provided in the 1996 Supplemental budget for the Yakima Adjudication. (Water Quality Account)

1997-99 Budget
WA Pollution Liab Insurance Program
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 8.1 | 0 | 2,450 |
| 1997-99 Maintenance Level | 8.1 | 0 | 1,963 |
| Policy Changes: | | | |
| 1. Technical Assistance Program # | 1.0 | 0 | 104 |
| 2. General Inflation | 0.0 | 0 | -8 |
| Total Policy Changes | 1.0 | 0 | 96 |
| Total 1997-99 Biennium | 9.1 | 0 | 2,059 |
| Difference from 1995-97 | 1.0 | 0 | -391 |
| % Change from 1995-97 | 12.3% | 0.0% | -16.0% |

Comments:

1. Technical Assistance Program # - Departmental request legislation proposes to authorize the agency to offer technical assistance to owners and operators of heating oil tanks. Staff and funding for this technical assistance program are provided based upon the passage of Substitute House Bill 1007 (pollution liability insurance). (oil pollution liability trust account)

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State Parks and Recreation Comm
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 538.7 | 37,795 | 68,014 |
| 1997-99 Maintenance Level | 563.6 | 40,747 | 69,604 |
| Policy Changes: | | | |
| 1. Retrospective Rating Refund | 0.0 | 0 | 10 |
| 2. 1997-99 COP Project Impact | 0.3 | 0 | 150 |
| 3. Revenue Enhancement | 0.0 | 0 | 106 |
| 4. Boating Safety | 0.0 | 0 | 480 |
| 5. Snowmobile/Sno-Park Grooming | 0.0 | 0 | 692 |
| 6. General Inflation | 0.0 | -209 | -359 |
| 7. Dedicated Projects | 0.0 | 0 | 500 |
| 8. Park Preserve Feasibility Study | 0.0 | 45 | 45 |
| 9. Offset Revenue Shortfall | 0.0 | 1,000 | 1,000 |
| Total Policy Changes | 0.3 | 836 | 2,624 |
| Total 1997-99 Biennium | 563.8 | 41,583 | 72,228 |
| Difference from 1995-97 | 25.1 | 3,788 | 4,214 |
| % Change from 1995-97 | 4.7% | 10.0% | 6.2% |

Comments:

1. Retrospective Rating Refund - The Department of Labor and Industries retrospective rating refund will be used to enhance safety programs in the agency. (Industrial Insurance Premium Refund Account)

2. 1997-99 COP Project Impact - In the 1995-97 Biennium, State Parks was authorized to pursue \$600,000 in Certificate of Participation (COP) projects. These projects make investments in park facilities which generate additional revenue. A total of \$1.7 million in COP projects is included in the capital budget. Work will be completed at Cama Beach, Ocean City, Grayland Beach, and other parks statewide. Funding is provided for debt service and additional staff for the projects completed in the 1997-99 Biennium. (Parks Renewal and Stewardship Account)

3. Revenue Enhancement - Funding is granted to acquire additional interpretive materials for sale at state parks. (Parks Renewal and Stewardship Account, Parks Improvement Account)

4. Boating Safety - The Federal Fiscal Year 1997 budget provides a \$15 million increase in boating safety funds distributed to the states. Appropriation authority is provided to spend this additional federal money on boating safety activities and grants. (General Fund-Federal)

5. Snowmobile/Sno-Park Grooming - Chapter 164, Laws of 1996 (Engrossed Senate Bill 6566) increased snowmobile registration fees. These additional revenues are appropriated to purchase additional snow grooming equipment and to increase grooming of snowmobile trails. Additional funding is also provided for increased grooming of cross country ski trails at state snow-parks. (Winter Recreation Program Account, Snowmobile Account)

6. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

7. Dedicated Projects - Additional appropriation authority is provided to complete projects funded through dedicated donations. (Parks Renewal and Stewardship Account)

8. Park Preserve Feasibility Study - Funding is provided for a feasibility study regarding the use of county, private, and state lands in the area of Square Lake for low intensity recreation.

1997-99 Budget
State Parks and Recreation Comm

9. Offset Revenue Shortfall - In order to avoid park closures, one-time funding is provided to offset the projected shortfall in revenues to the Parks Renewal and Stewardship Account (PRSA). PRSA revenues are expected to replace this one-time funding in the 1999-01 biennium.

1997-99 Budget
Interagency Comm for Outdoor Rec
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|------|----------------------|-------|
| 1995-97 Estimated Expenditures | 19.1 | 0 | 3,317 |
| 1997-99 Maintenance Level | 19.1 | 0 | 2,784 |
| Policy Changes: | | | |
| 1. Recreation Accessibility Specialist | 1.0 | 0 | 68 |
| 2. PRISM Data System Enhancement | 0.0 | 0 | 150 |
| 3. General Inflation | 0.0 | 0 | -10 |
| Total Policy Changes | 1.0 | 0 | 208 |
| Total 1997-99 Biennium | 20.1 | 0 | 2,992 |
| Difference from 1995-97 | 1.0 | 0 | -325 |
| % Change from 1995-97 | 5.2% | 0.0% | -9.8% |

Comments:

1. Recreation Accessibility Specialist - In the 1995-97 biennium the IAC employed a recreation accessibility specialist to train and advise state, federal, tribal, and local agencies on the design and operation of recreation facilities to meet barrier-free access requirements of the Americans with Disabilities Act (ADA). This position was funded through a grant from the Office of Financial Management and vacancies at the agency. IAC anticipates filling these vacancies. Partial funding of this position is provided to IAC with the remainder coming through the Governor's ADA program. In addition to training agencies, this position will continue to develop the state's only database of barrier-free recreation facilities. (Recreation Resources Account-State)

2. PRISM Data System Enhancement - In the 1995-97 biennium the IAC implemented the Project Information System (PRISM). PRISM has automated IAC's grant application and review process while also creating a database with which to answer basic questions regarding IAC grant programs. Additional funding is provided to implement the second phase of PRISM. Specific work will include document imaging, automating data transmission to the state accounting system, on-line invoicing, archiving of data, and connecting to the Internet. Language in the Appropriations Act requires any proceeds from the sale or use of PRISM software be deposited into the Recreation Resources Account. (Recreation Resources Account-State)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Environmental Hearings Office
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|------|----------------------|-------|
| 1995-97 Estimated Expenditures | 8.0 | 1,473 | 1,473 |
| 1997-99 Maintenance Level | 8.0 | 1,549 | 1,549 |
| Policy Changes: | | | |
| 1. Internet Access | 0.0 | 5 | 5 |
| 2. Forest Practices Appeals Board # | 0.0 | 8 | 8 |
| 3. General Inflation | 0.0 | -8 | -8 |
| Total Policy Changes | 0.0 | 5 | 5 |
| Total 1997-99 Biennium | 8.0 | 1,554 | 1,554 |
| Difference from 1995-97 | 0.0 | 81 | 81 |
| % Change from 1995-97 | 0.0% | 5.5% | 5.5% |

Comments:

1. Internet Access - Funding is provided for equipment required for Internet access. Ongoing costs for the Internet connection will be absorbed from savings in postage and travel costs.

2. Forest Practices Appeals Board # - In recognition of the increased workload of the Forest Practices Appeals Board, Substitute Senate Bill 5119 (forest practice appeals board) proposes to reclassify the Board so that its part-time members may receive increased per diem compensation. The legislation would increase per diem compensation from \$50 per day to \$100 per day for each of the Board's three members. Funding is contingent upon passage of the Legislation.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State Conservation Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 6.5 | 1,668 | 1,995 |
| 1997-99 Maintenance Level | 7.5 | 1,707 | 2,147 |
| Policy Changes: | | | |
| 1. Administrative Reductions | 0.0 | -20 | -20 |
| 2. General Inflation | 0.0 | -9 | -9 |
| Total Policy Changes | 0.0 | -29 | -29 |
| Total 1997-99 Biennium | 7.5 | 1,678 | 2,118 |
| Difference from 1995-97 | 1.0 | 10 | 123 |
| % Change from 1995-97 | 15.4% | 0.6% | 6.2% |

Comments:

- 1. Administrative Reductions** - Reductions are made in travel and the agency's legal support costs.
- 2. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Dept of Fish and Wildlife
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|---------|----------------------|---------|
| 1995-97 Estimated Expenditures | 1,559.0 | 68,947 | 216,563 |
| 1997-99 Maintenance Level | 1,621.6 | 69,291 | 249,881 |
| Policy Changes: | | | |
| 1. Habitat Partnerships | 7.6 | 1,000 | 1,000 |
| 2. Warm Water Game Fish Enhancement | 0.0 | 0 | -310 |
| 3. Retrospective Rating Refund | 1.0 | 0 | 120 |
| 4. Dam Maintenance and Safety | 1.5 | 343 | 343 |
| 5. Wild Salmon Management | 8.7 | 1,657 | 1,657 |
| 6. Watershed Management | 1.5 | 200 | 200 |
| 7. Puget Sound Work Plan | 6.0 | 830 | 830 |
| 8. General Inflation | 0.0 | -753 | -2,479 |
| 9. Landscape Management Plan Pilots | 3.7 | 457 | 457 |
| 10. Winter Feeding | 0.5 | 0 | 1,000 |
| 11. License Suspension # | 0.3 | 33 | 33 |
| 12. Regulatory Reform | 6.0 | 796 | 796 |
| 13. Data Entry Savings | -5.5 | -400 | -400 |
| 14. Fisheries Management | -8.0 | -922 | -922 |
| 15. Rules Officer | -2.0 | -260 | -260 |
| 16. HPA Efficiencies | -1.5 | -200 | -200 |
| 17. License System | 1.0 | 387 | 687 |
| 18. Mass Marking Implementation | 0.0 | 700 | 700 |
| 19. Administrative Reductions | -2.9 | -332 | -332 |
| 20. Warmwater Gamefish | 0.0 | -250 | -250 |
| 21. Aircraft Reductions | 0.0 | -100 | -100 |
| 22. Hatcheries Administration | -2.0 | -300 | -300 |
| 23. Engineering Staff | -1.6 | -240 | -240 |
| 24. Consolidate Public Affairs | -1.6 | -240 | -240 |
| Total Policy Changes | 12.7 | 2,406 | 1,790 |
| Total 1997-99 Biennium | 1,634.3 | 71,697 | 251,671 |
| Difference from 1995-97 | 75.3 | 2,750 | 35,108 |
| % Change from 1995-97 | 4.8% | 4.0% | 16.2% |

Comments:

1. Habitat Partnerships - In the 1995-97 biennium, \$1.8 million of the one-time Chelan Fire federal reimbursement money was provided for the Habitat Partnerships Program. For the 1997-99 biennium, the program is continued at the \$1.0 million level using state general fund support.

2. Warm Water Game Fish Enhancement - The warmwater game fish account was created with the passage of 4SSB 5159 (Chapter 222, Laws of 1996). Out of a total program of \$3.2 million, expenditure authority for \$310,000 is transferred to the capital budget to construct additional warmwater access sites. (Warmwater Game Fish Account).

3. Retrospective Rating Refund - The Department of Labor and Industries retrospective rating refund will be used to purchase safety equipment at the Department of Fish and Wildlife (WDFW). (Industrial Insurance Premium Refund Account)

1997-99 Budget
Dept of Fish and Wildlife

4. Dam Maintenance and Safety - The Department of Fish and Wildlife owns and operates 54 earthen dams which are currently out of compliance with state inspection and maintenance regulations. These dams are used primarily for habitat improvements and hatchery operations. Funding is provided for staff to inspect these dams and to begin required maintenance. The Department will also complete an evaluation on the need for these dams and report whether they should continue to be maintained or decommissioned.

5. Wild Salmon Management - The National Marine Fisheries Service has proposed listing additional chinook, coho and steelhead in Washington as threatened or endangered. Staff are provided to respond to the additional federal permits, research, and consultations that these listings require. The Department expects to adopt a Wild Salmonid Policy by the end of 1997. Funding is also provided to begin implementation of this policy. A critical pathways analysis will begin to target the best opportunities for restoration. Specific work will include a hatchery operations review to bring hatchery operations into conformance with the new policy. This will also include work to identify and monitor the genetic make up of various salmon species. An egg-take and rearing program for Dungeness Pink Salmon will be established to help restore this declining stock.

6. Watershed Management - Funding is provided for staff support to work with the Department of Ecology in processing water right permits and in establishing instream flow standards.

7. Puget Sound Work Plan - Funding is provided to implement key actions identified in the Puget Sound Work Plan. Technical assistance is provided to local watershed planning efforts regarding water and sediment quality necessary to sustain fish and wildlife as well as wetlands and habitat management.

8. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

9. Landscape Management Plan Pilots - Funding is provided to implement five landscape management pilot projects as an alternative to issuing forest practice permits. The pilot projects are authorized in Substitute House Bill 1985 (landscape management plans). The Departments of Natural Resources and Ecology will assist in the pilot projects.

10. Winter Feeding - Appropriation authority is provided to the State Wildlife Account for up to \$1,000,000 to be used for emergency feeding of deer and elk in the winter of 1997-98. The appropriation is supported by a variety of possible fees, donations, or the sale of surplus property as authorized in Substitute House Bill 1478 (wildlife winter feeding).

11. License Suspension # - The Personal Responsibility and Work Opportunity Act of 1996 (federal welfare legislation) requires states to have laws providing for holding, suspending, or restricting the use of drivers, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is provided for the additional workload associated with the license suspension.

12. Regulatory Reform - Funding is provided for the implementation of Engrossed Second Substitute House Bill 1032 (regulatory reform).

13. Data Entry Savings - Positions providing data entry services for biological information will be eliminated. This information will now be entered through a new scanner funded in the 1997 supplemental operating budget. Accounting and time sheet data entry costs will be absorbed by the direct programs.

14. Fisheries Management - Shellfish management activities are reduced, including evaluation of shellfish supplementation projects and analysis of recreational harvest. In-season halibut and sturgeon catch summaries and samples are eliminated. Field staff estimating steelhead catch are reduced by one-third. Trawl samples for ground fish are reduced along with clam population surveys and forage fish habitat surveys.

15. Rules Officer - Funding for the rules process within the Department is reduced based on a reorganization which eliminates the centralized position of a rules officer.

16. HPA Efficiencies - Funding is reduced to the hydraulic permit program assuming efficiencies can be made in the process.

**1997-99 Budget
Dept of Fish and Wildlife**

17. License System - Funding is provided for the initial design work of an automated recreational license sales system. As a part of the design phase, a recreational licenses database will be created and scoping requirements for the system will be determined. (Wildlife Account-State)

18. Mass Marking Implementation - Funding is provided to fully implement the mass marking of coho salmon. Funds will be used to purchase detection equipment necessary to monitor tagged fish returning from the ocean.

19. Administrative Reductions - Savings are achieved by eliminating one Division Manager position and the associated support staff.

20. Warmwater Gamefish - Legislation enacted in 1996 (Chapter 222, Laws of 1996) creates a dedicated fund source for the Warmwater Game Fish program which is expected to generate \$2.4 million in revenue for the program during the 1997-99 biennium. General Fund-State support of start up funding is eliminated. The federal and Wildlife Account funds in the base budget are maintained.

21. Aircraft Reductions - Savings are achieved by selling one of the Department's six airplanes. Flight logs indicate that the Cessna 421 is not used as much as the other aircraft and has had a number mechanical problems. Ongoing operational savings are estimated to be \$100,000 per biennium. Proceeds from the sale of the plane are redirected into the Wildlife Account to support other priority programs of the Department.

22. Hatcheries Administration - Reductions are made in hatcheries administration, including assessment and development activities and facilities support.

23. Engineering Staff - Reductions are made in engineering staff supported by funds in the department's operating budget.

24. Consolidate Public Affairs - Savings are assumed from consolidating public affairs and outreach and education activities within the agency.

1997-99 Budget
Department of Natural Resources
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|---------|----------------------|---------|
| 1995-97 Estimated Expenditures | 1,490.6 | 41,786 | 233,526 |
| 1997-99 Maintenance Level | 1,542.1 | 48,422 | 226,317 |
| Policy Changes: | | | |
| 1. Fire Protection | 0.0 | 1,943 | -1,684 |
| 2. Geology and Mining Support | 1.0 | 0 | 139 |
| 3. Natural Areas | 0.0 | 975 | 975 |
| 4. Additional Timber Sales | 25.2 | 0 | 8,926 |
| 5. Silvicultural Investments | 0.0 | 0 | -164 |
| 6. Public Use and Recreation | 5.5 | 0 | 506 |
| 7. Photo and Map Activities | 2.0 | 0 | 875 |
| 8. Five percent reductions | 0.0 | -1,573 | -1,573 |
| 9. General Inflation | 0.0 | -269 | -1,494 |
| 10. Eagle Harbor Settlement | 0.0 | 0 | 2,300 |
| 11. Burning Permits | 0.0 | 0 | -16 |
| 12. Landscape Management Plan Pilots | 3.4 | 415 | 415 |
| 13. Loomis Forest Plan | 8.9 | 0 | 931 |
| Total Policy Changes | 46.0 | 1,491 | 10,136 |
| Total 1997-99 Biennium | 1,588.1 | 49,913 | 236,453 |
| Difference from 1995-97 | 97.5 | 8,127 | 2,927 |
| % Change from 1995-97 | 6.5% | 19.4% | 1.3% |

Comments:

1. Fire Protection - The Department of Natural Resources' (DNR) fire protection program is funded through the state general fund and assessments on landowners which are placed in the Forest Fire Protection Assessment Account (FFPA). If expenditures were to continue at the current level the FFPA would be overspent. This item assumes increasing the general fund support to maintain the program at adequate levels without requiring an increase in landowner assessments in the 1997-99 biennium.

2. Geology and Mining Support - The Department of Natural Resources monitors surface and metal mines in the state. Additional funding is provided to reduce the backlog in surface mining permit applications, improve technical and educational assistance and allow the regulation of one additional metal mine. (Surface Mining Reclamation Account, Metals Mining Account)

3. Natural Areas - For the last several biennium the operation and maintenance of DNR's Natural Area Preserves and Natural Resource Conservation Areas along with a portion of the Natural Heritage program have been funded through revenue from an expired real estate excise tax. This funding is no longer available. Funding to continue the current level of operations will be supported by the state general fund. (Natural, Resource Conservation Stewardship Account)

4. Additional Timber Sales - In recent years the workload associated with the preparation of timber sales has increased. Funding is provided for staff necessary to maintain timber sales at the current level of 600 million board feet (MBF). Without this support the DNR timber sales will be reduced by 40 MBF each fiscal year. Additional staff is also provided to prepare timber sales for Fiscal Year 1999 necessary to meet the Board of Natural Resources new annual sustained yield harvest level of 655 MBF. (Resource Management Cost Account, Forest Development Account)

5. Silvicultural Investments - The proposal to increase silviculture activities on forest board lands is not funded. A decrease in silviculture activities is expected on other trust lands. (Resource Management Cost Account)

1997-99 Budget
Department of Natural Resources

6. Public Use and Recreation - State trustlands are receiving increased recreation use. Funding is provided to increase the maintenance of trails and recreation sites, to monitor their use through an ongoing survey process and to hire four region volunteer coordinators to recruit, organize and supervise volunteer activities on state lands. (Forest Development Account, Off Road Vehicle Account)

7. Photo and Map Activities - Funding is provided to replace and upgrade DNR mapping equipment, to acquire additional aerial photography, and to produce additional geographic materials for sale. The agency will also make a one-time expenditure to automate the distribution of geographic materials. Finally, DNR will increase scanning and indexing of survey records obtained through cooperative agreements with counties. (Surveys and Maps Account, Resource Management Cost Account, Forest Development Account)

8. Five percent reductions - General fund state supported programs are reduced by five percent, with the exception of the fire programs.

9. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

10. Eagle Harbor Settlement - The Department of Natural Resources (DNR), the Department of Ecology, and the Department of Transportation anticipate reaching a court settlement for clean-up of Eagle Harbor on Bainbridge Island. Funding is provided for DNR's costs for this settlement. (Aquatic Lands Enhancement Account)

11. Burning Permits - Funding for the burning permit and regulation program is reduced to reflect decreased revenues to the Air Pollution Control Account. (Air Pollution Control Account).

12. Landscape Management Plan Pilots - Funding is provided to implement five landscape management pilot projects as an alternative to issuing forest practice permits. The pilot projects are authorized in Substitute House Bill 1985 (landscape management plans). The Departments of Fish and Wildlife and Ecology will assist in the pilot projects.

13. Loomis Forest Plan - Funding is provided to implement House Bill 1128 (Loomis state forest timber) which requires the Department to revise the Loomis Forest Landscape Management Plan.

1997-99 Budget
Department of Agriculture
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-----------------------------------|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 715.0 | 14,746 | 77,826 |
| 1997-99 Maintenance Level | 699.7 | 13,963 | 76,261 |
| Policy Changes: | | | |
| 1. Retrospective Rating Refund | 0.0 | 0 | 184 |
| 2. Computer Services Staffing | 3.0 | 0 | 312 |
| 3. International Marketing | 0.0 | -320 | -320 |
| 4. Pesticide Registration # | 4.0 | 0 | 996 |
| 5. State Toxics Revenue Shortfall | 0.0 | 0 | -23 |
| 6. Asian Gypsy Moth | 10.0 | 461 | 821 |
| 7. General Inflation | 0.0 | -94 | -411 |
| 8. Entomologists | 2.0 | 276 | 276 |
| 9. Regulatory Reform | 0.3 | 30 | 30 |
| Total Policy Changes | 19.3 | 353 | 1,865 |
| Total 1997-99 Biennium | 719.0 | 14,316 | 78,126 |
| Difference from 1995-97 | 4.0 | -430 | 300 |
| % Change from 1995-97 | 0.6% | -2.9% | 0.4% |

Comments:

1. Retrospective Rating Refund - The Department of Labor and Industries retrospective rating refund is appropriated to continue the Department of Agriculture (WSDA) safety program. The safety program is coordinated with the Department of Labor and Industries and includes safety training for potentially hostile or dangerous situations in the field, and the acquisition of safety equipment for field and laboratory staff. (Industrial Insurance Premium Refund Account)

2. Computer Services Staffing - WSDA's information services section is responsible for supporting 25 departmental programs. Three computer information consultants are provided to allow grain, food, and pesticide inspectors to rapidly track and access information on samples and inspections needed for regulatory activities and inspection services. (Agriculture Local Account, Horticultural Districts Account, Grain and Hay Inspection Revolving Account)

3. International Marketing - International marketing efforts are reduced by \$320,000 and the Department may charge fees for these services.

4. Pesticide Registration # - Funding is provided to support four additional positions enabling the Pesticide Management program to respond to increased workloads. As authorized by Substitute House Bill 1527 (pesticides registration), \$656,000 from increased fees and \$340,000 from the State Toxics Control Account will support this activity. (Agricultural Local Account- Non appropriated, State Toxics Control Account)

5. State Toxics Revenue Shortfall - The Agricultural Waste Pesticide Disposal program will be reduced to reflect declining revenues in the State Toxics Control Account. (State Toxics Control Account)

6. Asian Gypsy Moth - Funding is provided to spray to control asian gypsy moths in the West Seattle area and continue trapping efforts to detect and prevent future problems.

7. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

9. Regulatory Reform - Funding is provided for the implementation of Engrossed Second Substitute House Bill 1032 (regulatory reform).

1997-99 Budget
Washington State Patrol
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--|-------|----------------------|--------|
| 1995-97 Estimated Expenditures | 251.7 | 19,837 | 41,016 |
| 1997-99 Maintenance Level | 246.6 | 15,763 | 33,387 |
| Policy Changes: | | | |
| 1. Reengineer Boarding Home Inspection | 1.5 | -146 | -146 |
| 2. Additional Crime Scene/Lab FTEs | 4.0 | 0 | 430 |
| 3. Fire Training Replacement Equipment | 0.0 | 110 | 110 |
| 4. Savings in Acquisition Costs | 0.0 | -61 | -61 |
| 5. Adjustment in Support Costs | 0.0 | -11 | -11 |
| 6. Automate Background Checks | 1.0 | 0 | 254 |
| 7. Drug Task Force Grant Match | 2.0 | 0 | 360 |
| 8. General Inflation | 0.0 | -93 | -198 |
| 9. Criminal Identity Reengineering | 3.5 | 0 | 1,260 |
| 10. Crime Database Redesign | 0.0 | 0 | 1,476 |
| 11. Incident-based Investigation Tools | 0.0 | 0 | 264 |
| Total Policy Changes | 12.0 | -201 | 3,738 |
| Total 1997-99 Biennium | 258.6 | 15,562 | 37,125 |
| Difference from 1995-97 | 6.9 | -4,275 | -3,891 |
| % Change from 1995-97 | 2.7% | -21.6% | -9.5% |

Comments:

1. Reengineer Boarding Home Inspection - Savings are generated by converting existing contracts for inspection of boarding homes into funding for two inspectors with the Fire Protection Bureau and eliminating a part-time standards and accreditation position.

2. Additional Crime Scene/Lab FTEs - Funding is provided for two additional DNA databank technicians, one firearms analyst, and two investigators to support a Crime Scene Response Team. (Municipal Criminal Justice Account-State, County Criminal Justice Account-State)

3. Fire Training Replacement Equipment - Provides funding for a used snow plow, forklift, tractor/mower and miscellaneous maintenance equipment to keep the fire training academy operational.

4. Savings in Acquisition Costs - Funding is reduced to reflect savings in the purchase of equipment.

5. Adjustment in Support Costs - Funding for publications, travel and administration is reduced.

6. Automate Background Checks - Funding is provided for a computer system that will allow the private sector to check criminal history records from remote locations by computer or phone for non-criminal purposes. These purposes may include pre-employment background checks and instant checks for firearm purchases. A report to the Office of Financial Management and Department of Information Services regarding implementation plans must be approved before expending this appropriation. (Fingerprint Identification Account-State)

7. Drug Task Force Grant Match - Funding is provided for the 25 percent state match for the federal Bureau of Justice Assistance grant for narcotic enforcement efforts. (Federal Seizure Account - Local)

8. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

**1997-99 Budget
Washington State Patrol**Friday, Apr. 04, 1997
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9. Criminal Identity Reengineering - Continuation funding (Type 3) for the Washington State Identification System (WASIS) reengineering project is provided. The WASIS reengineering project will enable the automated input of Judgement and Sentence (conviction) information and other disposition information from the courts. The reengineered WASIS also will support new federal reporting requirements, new statewide telecommunication standards, and links to the Washington Crime Information Center. (General Fund-Federal)

10. Crime Database Redesign - Provides funding for construction (Type 2) for the Washington Crime Information Center (WACIC) reengineering project. The WACIC reengineering project will support several needed improvements to the state's crime hot files: electronic entry of warrants and court orders; reporting of multiple warrant and court orders; compliance with federal reporting requirements; and links to the Washington State Identification System. (General Fund-Federal)

11. Incident-based Investigation Tools - Funding is provided for a feasibility study to develop a criminal investigation computer system. The study will report on the feasibility of developing a system that uses as its foundation incident-based reporting (IBR) consistent with FBI standards. The system will have the capability of connecting with local law enforcement jurisdictions as well as fire protection agencies conducting arson investigations. The study will report on the system requirements for incorporating case management, intelligence data, imaging and geographic information. The system will also provide links to existing crime information databases such as WASIS and WACIC. (General Fund-Federal)

1997-99 Budget
Department of Licensing
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|---|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 208.7 | 8,950 | 31,173 |
| 1997-99 Maintenance Level | 205.7 | 8,495 | 31,493 |
| Policy Changes: | | | |
| 1. Uniform Commercial Code Reduction | -5.0 | 0 | -692 |
| 2. Master License System Pilot | 1.0 | 0 | 97 |
| 3. Master License System PC Upgrades | 0.0 | 0 | 77 |
| 4. Boxing/Wrestling Legislation # | 0.5 | 43 | 43 |
| 5. Asset Management Coordinator | 0.0 | 8 | 26 |
| 6. Engineer Compliance Officer | 1.0 | 0 | 86 |
| 7. Regional Engineer Exam Reviews | 0.0 | 0 | 16 |
| 8. Camera Replacement | 0.0 | 5 | 5 |
| 9. Appraiser Program Law Judge | 0.0 | 12 | 12 |
| 10. Engineer Licensing Information | 0.0 | 0 | 13 |
| 11. General Inflation | 0.0 | -55 | -150 |
| 12. License Suspension # | 0.4 | 32 | 114 |
| 13. Reduce Security Guard Programs | 0.0 | -120 | -120 |
| 14. Reduce Equipment and DP costs | 0.0 | -22 | -22 |
| 15. White Water River Rafter Regulation | 0.0 | 0 | 40 |
| 16. Regulatory Reform | 2.3 | 325 | 701 |
| Total Policy Changes | 0.2 | 228 | 246 |
| Total 1997-99 Biennium | 205.9 | 8,723 | 31,739 |
| Difference from 1995-97 | -2.8 | -227 | 566 |
| % Change from 1995-97 | -1.3% | -2.5% | 1.8% |

Comments:

- 1. Uniform Commercial Code Reduction** - Funding is reduced in order to meet available revenues. (Uniform Commercial Code-State)
- 2. Master License System Pilot** - Funding is provided to continue and expand the use of the Master Licensing System to include city licenses. (Master License Account-State)
- 3. Master License System PC Upgrades** - Funds the replacement of 22 personal computers and associated software. (Master License Account-State)
- 4. Boxing/Wrestling Legislation #** - Provides funding for the implementation of HB 1827 (boxing, martial arts, wrestling).
- 5. Asset Management Coordinator** - Funding is provided for an asset manager coordinator to control agency physical and software inventory. (General Fund-State, Highway Safety Fund-State, Motor Vehicle Account-State, and other professional licensing accounts)
- 6. Engineer Compliance Officer** - Funds an additional compliance officer to improve professional engineers and land surveyors' compliance with disciplinary orders. (Professional Engineers Account-State)
- 7. Regional Engineer Exam Reviews** - Funds examination sites in three locations outside of Olympia. (Professional Engineers Account-State)

**1997-99 Budget
Department of Licensing**

8. Camera Replacement - Funding is provided to replace three microfilm cameras used to film documents as part of the vehicle and vessel licensing and titling process. (Motor Vehicle Fund-State, General Fund-State)

9. Appraiser Program Law Judge - Funds an additional administrative law judge to address increasing violations of the Real Estate Appraiser Act.

10. Engineer Licensing Information - Provides funding for the inclusion of professional engineer and land surveyor licensing and regulatory information on the World Wide Web. (Professional Engineers Account-State)

11. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

12. License Suspension # - The Washington Workfirst program provides for holding, suspending, or restricting the use of driver's, professional, occupational, and recreational licenses under specific circumstances in which child support is not paid. Funding is included for the additional workload associated with the license suspension. (Master License System-State, Professional Engineers-State, Real Estate-State, and Funeral Directors and Embalmers-State)

13. Reduce Security Guard Programs - Expenditures are reduced to match available licensing revenues.

14. Reduce Equipment and DP costs - Funding is reduced for data processing costs, out-of-state travel, and equipment.

15. White Water River Rafter Regulation - Funding is provided to establish the certification, licensing and regulation of white water river craft operators as required by SHB 1493 (white water river outfitters). (Master License Account)

16. Regulatory Reform - Funding is provided to implement the provisions of E2SHB 1032 (regulatory reform). (General Fund-State, Architects Account-State, Cemetery Account-State, Professional Engineers Account-State, Real Estate Commission Account-State, Master License Services Account-State, Uniform Commercial Code Account-State, Funeral Directors Account-State)

1997-99 Budget
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|---|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 234.3 | 56,826 | 105,374 |
| 1997-99 Maintenance Level | 230.0 | 37,771 | 95,501 |
| Policy Changes: | | | |
| 1. K-12 Technology | 1.0 | 19,000 | 48,312 |
| 2. OSPI Information System Support | 1.0 | 0 | 0 |
| 3. Teen Aware Fund Shift | 0.0 | 400 | 0 |
| 4. Truancy Board Funding | 0.0 | -2,000 | -2,000 |
| 5. School Audit Resolution # | 0.5 | 100 | 100 |
| 6. Alternative Education Programs | 0.0 | 4,800 | 4,800 |
| 7. 2nd Grade Reading Training Grants | 1.0 | 6,000 | 6,000 |
| 8. FCC Licensing Assistance | 0.0 | 15 | 15 |
| 9. Voc Ag Teacher Recruitment | 0.0 | 35 | 35 |
| 10. Skill Center Study: Pt. Angeles | 0.0 | 50 | 50 |
| 11. Education Centers | 0.0 | 200 | 200 |
| 12. School Business Efficiency Studies | 0.0 | 50 | 50 |
| 13. Voc Leadership Support | 0.0 | 200 | 200 |
| 14. Board of Education Salary Adj | 0.0 | 18 | 18 |
| 15. Eliminate Complex Needs | 0.0 | -4,370 | -4,370 |
| 16. Eliminate Magnet Schools | 0.0 | -3,092 | -3,092 |
| 17. Superintendent/Principal internship | 0.0 | 1,620 | 1,620 |
| 18. Charter Schools | 0.0 | 5,194 | 5,194 |
| Total Policy Changes | 3.5 | 28,220 | 57,132 |
| Total 1997-99 Biennium | 233.5 | 65,991 | 152,633 |
| Difference from 1995-97 | -0.8 | 9,165 | 47,259 |
| % Change from 1995-97 | -0.3% | 16.1% | 44.8% |

Comments:

1. K-12 Technology - Funding is provided for grants to school districts with curriculum proposals for using technology to improve learning. The Superintendent of Public Instruction is to implement an award process similar to the review process used for the technology grant program established by the 1996 Legislature. Within the total state appropriation, \$200,000 is provided for staff and related expenses necessary to coordinate technology grant projects with K-20 telecommunications system.

2. OSPI Information System Support - Additional money is provided to OSPI to enhance information processing. The funding will allow OSPI to maintain a public database of school information, replace paper reports and publications with electronic media, enhance electronic data collection and distribution systems, and communicate more effectively with schools and the public.

3. Teen Aware Fund Shift - The funding source for the Teen Aware program is changed from the Health Services Account to the State General Fund and the Department of Health is to transfer \$400,000 in federal funds from grants available for abstinence programs to supplement Teen Aware.

4. Truancy Board Funding - Truancy boards were established under the Becca bills of 1995 and 1996. The boards were intended to divert students from the court process. These boards duplicate the efforts of schools and the courts because schools work with students and parents to identify an educational plan, and students who do not comply still go through the court process.

5. School Audit Resolution # - One-half of a full-time equivalent staff is provided to OSPI to increase support for a new school district audit resolution process required by HB 1776 (school audits).

1997-99 Budget
Public Schools
OSPI & Statewide Programs

6. Alternative Education Programs - School districts are provided funding for start up costs of alternative educational programs for students who are expelled or drop-out of school. Once students are participating in the alternative program, state funding will be allocated on the same basis as district enrolled students. Districts may employ contracting out and other provisions consistent with ESHB 1378 (student educational opportunity).

7. 2nd Grade Reading Training Grants - Funding is provided for implementation of ESHB 2042 (reading in primary grades) including 2nd grade reading skills tests and grants for training kindergarten through third grade teachers in reading education.

8. FCC Licensing Assistance - Funding is provided to the Superintendent of Public Instruction to assist high school vocational education programs which improve skills in working with FM radio communications.

9. Voc Ag Teacher Recruitment - The State Board of Education is to design a program to encourage high school students and others to pursue careers as teachers of agriculture in high school vocational educational programs.

10. Skill Center Study: Pt. Angeles - Provides for matching funds to plan a vocational education skills center for students in Port Angeles area school districts. Matching funds must be provided from local sources on a dollar for dollar basis.

11. Education Centers - Funding is provided to increase the number of state funded education centers from 12 to 14.

12. School Business Efficiency Studies - Funding is provided for studies of school district business practices.

15. Eliminate Complex Needs - Funding is eliminated for complex needs grants provided to 17 qualifying school districts. The allocation formula is based on 1991-93 data measuring the incidence of students who are from low income families, disabled, or non-english speaking and schools where a high number of languages are spoken.

16. Eliminate Magnet Schools - Funding is eliminated for magnet school grants provided to five qualifying school districts for programs designed to encourage racial integration of schools through voluntary transfers.

18. Charter Schools - Funding is provided for charter schools (SHB 2019) , including \$1,013,000 for start up grants of \$250 per charter school pupil. The remaining costs are for students coming from private schools or home school students not currently receiving state support.

1997-99 Budget
Public Schools
General Apportionment
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 6,428,005 | 6,428,005 |
| 1997-99 Maintenance Level | 0.0 | 6,954,838 | 6,954,838 |
| Policy Changes: | | | |
| 1. Mix Factor Averaging # | 0.0 | -11,522 | -11,522 |
| 2. School Audit Resolution # | 0.0 | -2,500 | -2,500 |
| Total Policy Changes | 0.0 | -14,022 | -14,022 |
| Total 1997-99 Biennium | 0.0 | 6,940,816 | 6,940,816 |
| Difference from 1995-97 | 0.0 | 512,811 | 512,811 |
| % Change from 1995-97 | 0.0% | 8.0% | 8.0% |

Comments:

1. Mix Factor Averaging # - HB 1778 (certified staff salaries) changes the manner in which average salaries are calculated for state funding of the apportionment and special education programs. Currently, some school districts are being overfunded and some underfunded for their special education program salary costs. This occurs because the average salaries of both programs are not the same, but funding in both programs is dependent on the apportionment salary.

Overfunding occurs when a district's average salary of certificated instructional staff in the apportionment program is greater than that of the special education program. Underfunding occurs when the average salary in the special education program exceeds the apportionment program. HB 1778 combines the staff of the two programs to calculate the average salary and eliminates the problem.

2. School Audit Resolution # - SHB 1776 (school audits) strengthens the procedures of the Superintendent of Public Instruction for recovering state money from schools pursuant to audit findings by the Washington State Auditor. Savings are assumed from increased audit recoveries and more cautious school district reporting of student enrollments and staff mix factors.

1997-99 Budget
Public Schools
Pupil Transportation
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 328,753 | 328,753 |
| 1997-99 Maintenance Level | 0.0 | 353,904 | 353,904 |
| Total 1997-99 Biennium | 0.0 | 353,904 | 353,904 |
| Difference from 1995-97 | 0.0 | 25,151 | 25,151 |
| % Change from 1995-97 | 0.0% | 7.7% | 7.7% |

Comments:

1997-99 Budget
Public Schools
School Food Services
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 6,000 | 271,176 |
| 1997-99 Maintenance Level | 0.0 | 6,000 | 282,040 |
| Policy Changes: | | | |
| 1. Summer Food Program | 0.0 | 150 | 150 |
| 2. Federal Day Care Home Food | 0.0 | 0 | -17,000 |
| Total Policy Changes | 0.0 | 150 | -16,850 |
| Total 1997-99 Biennium | 0.0 | 6,150 | 265,190 |
| Difference from 1995-97 | 0.0 | 150 | -5,986 |
| % Change from 1995-97 | 0.0% | 2.5% | -2.2% |

Comments:

1. Summer Food Program - This item provides state funding to replace a portion of lost federal funding for summer food programs for children who live in low-income areas.

2. Federal Day Care Home Food - The federal welfare reform legislation restricts eligibility for food subsidies for home day care providers. This is a reduction in federal non-appropriated federal funds.

1997-99 Budget
Public Schools
Special Education
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|---------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 747,920 | 846,604 |
| 1997-99 Maintenance Level | 0.0 | 749,544 | 848,228 |
| Policy Changes: | | | |
| 1. Federal Funding Adjustment | 0.0 | 0 | 36,422 |
| 2. Mix Factor Averaging # | 0.0 | -1,196 | -1,196 |
| 3. School Audit Resolution # | 0.0 | -2,500 | -2,500 |
| 4. Medicaid @ Dists Under 2,000 | 0.0 | 700 | 700 |
| 5. ESD Special Ed. Coordinators | 0.0 | -1,735 | -1,735 |
| Total Policy Changes | 0.0 | -4,731 | 31,691 |
| Total 1997-99 Biennium | 0.0 | 744,813 | 879,919 |
| Difference from 1995-97 | 0.0 | -3,107 | 33,315 |
| % Change from 1995-97 | 0.0% | -0.4% | 3.9% |

Comments:

1. Federal Funding Adjustment - Increased federal funds, combined with the budget proviso requiring an increased flow-through rate of federal discretionary funds to school districts, will result in an average increase above 1996-97 of \$100 per student.

2. Mix Factor Averaging # - HB 1778 (certificated staff salaries) changes the manner in which average salaries are calculated for state funding of the apportionment and special education programs. Currently, some school districts are being overfunded and some underfunded for their special education program salary costs. This occurs because the average salaries of both programs are not the same but funding in both programs is dependent on the apportionment salary.

Overfunding occurs when a district's average salary of certificated instructional staff in the apportionment program is greater than that of the special education program. Underfunding occurs when the average salary in the special education program exceeds the apportionment program. HB 1778 combines the staff of the two programs to calculate the average salary and eliminates the problem.

3. School Audit Resolution # - SHB 1776 (school audits) strengthens the procedures of the Office of Public Instruction for recovering state money from schools pursuant to audits by the Washington State Auditor's Office. Savings are assumed from increased audit recoveries and more cautious school district reporting of student enrollment and staff mix factors.

4. Medicaid @ Dists Under 2,000 - School districts with fewer than 2,000 pupils (class 2) are permitted to keep 50 percent of federal medicaid fund reimbursements for services provided to special education students. Larger districts will continue to be provided 20 percent of the reimbursements with the balance returned to the state to offset special education costs.

1997-99 Budget
Public Schools
Special Education

5. ESD Special Ed. Coordinators - State funding is eliminated for special education coordinators housed at each of the Educational Service Districts. Coordinators provide assistance to school districts with state reports, applications for state and federal funds, local special education cooperatives and employment of special education staff.

The majority of educational service district funding comes from services purchased by school districts. Services provided by special education coordinators could be maintained through charges to school districts. Funds to pay these charges will be made available through a number of sources :

- (1) Increased federal funding for special education of approximately \$14.7 million per year; and
- (2) A budget proviso directing the Superintendent of Public Instruction to reduce the amount of federal funds retained for agency administrative costs and increase the flow-through of federal funds to school districts by an additional 4 percent. This is expected to increase federal funds allocated to school districts by at least \$2.6 million per year.

1997-99 Budget
Public Schools
Traffic Safety Education
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 0 | 16,928 |
| 1997-99 Maintenance Level | 0.0 | 0 | 17,179 |
| Total 1997-99 Biennium | 0.0 | 0 | 17,179 |
| Difference from 1995-97 | 0.0 | 0 | 251 |
| % Change from 1995-97 | 0.0% | 0.0% | 1.5% |

Comments:

1997-99 Budget
Public Schools
Educational Service Districts
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 8,901 | 8,901 |
| 1997-99 Maintenance Level | 0.0 | 8,746 | 8,746 |
| Total 1997-99 Biennium | 0.0 | 8,746 | 8,746 |
| Difference from 1995-97 | 0.0 | -155 | -155 |
| % Change from 1995-97 | 0.0% | -1.7% | -1.7% |

Comments:

1997-99 Budget
Public Schools
Levy Equalization
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 159,677 | 159,677 |
| 1997-99 Maintenance Level | 0.0 | 171,545 | 171,545 |
| Policy Changes: | | | |
| 1. Increase Levy Equalization # | 0.0 | 2,407 | 2,407 |
| Total Policy Changes | 0.0 | 2,407 | 2,407 |
| Total 1997-99 Biennium | 0.0 | 173,952 | 173,952 |
| Difference from 1995-97 | 0.0 | 14,275 | 14,275 |
| % Change from 1995-97 | 0.0% | 8.9% | 8.9% |

Comments:

1. Increase Levy Equalization # - HB 2069 (school levies) provides extra support for districts which must request the highest property tax rates to provide a supplement to a district's state and federal budgeted funds. Districts in the quartile which must request the highest tax rates to achieve equal maintenance and operation levy support rates are provided state levy equalization funding. The funding is the equivalent of a 12 percent levy, to the extent the district can pass up to a 12 percent levy. Other districts with qualifying local levy effort will be provided the equivalent of a 10 percent levy as in current statute.

1997-99 Budget
Public Schools
Elementary/Secondary School Improv
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 0 | 222,376 |
| 1997-99 Maintenance Level | 0.0 | 0 | 255,987 |
| Total 1997-99 Biennium | 0.0 | 0 | 255,987 |
| Difference from 1995-97 | 0.0 | 0 | 33,611 |
| % Change from 1995-97 | 0.0% | 0.0% | 15.1% |

Comments:

1997-99 Budget
Public Schools
Institutional Education
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|-----------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 33,726 | 42,274 |
| 1997-99 Maintenance Level | 0.0 | 36,261 | 44,809 |
| Policy Changes: | | | |
| 1. Juvenile Justice Act Revisions | 0.0 | 1,197 | 1,197 |
| Total Policy Changes | 0.0 | 1,197 | 1,197 |
| Total 1997-99 Biennium | 0.0 | 37,458 | 46,006 |
| Difference from 1995-97 | 0.0 | 3,732 | 3,732 |
| % Change from 1995-97 | 0.0% | 11.1% | 8.8% |

Comments:

1. Juvenile Justice Act Revisions - House Bill 3900 (juvenile revisions) and Senate Bill 5942 (juvenile code) increase the number of juvenile offenders adjudicated as adults. This will increase the number of juvenile offenders in county detention Centers by 101 juveniles in the 1997-99 biennium. There will also be a change in the number of juveniles in state rehabilitation institutions resulting in an increase of 37 juveniles in 1997-98 and a decrease of 41 in 1998-99. For the 1999-01 biennium, there will be an estimated net decrease of 160 juveniles per year. The fiscal impact shown is the educational cost of these juveniles while in the institutions.

1997-99 Budget
Public Schools
Ed of Highly Capable Students
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 8,454 | 8,454 |
| 1997-99 Maintenance Level | 0.0 | 8,966 | 8,966 |
| Policy Changes: | | | |
| 1. Centrum Program Transfer | 0.0 | -86 | -86 |
| 2. Odyssey of the Mind Transfer | 0.0 | 186 | 186 |
| 3. Gifted Funded @ 2 Percent | 0.0 | 2,860 | 2,860 |
| Total Policy Changes | 0.0 | 2,960 | 2,960 |
| Total 1997-99 Biennium | 0.0 | 11,926 | 11,926 |
| Difference from 1995-97 | 0.0 | 3,472 | 3,472 |
| % Change from 1995-97 | 0.0% | 41.1% | 41.1% |

Comments:

1. Centrum Program Transfer - The program support for Odyssey of the Mind through Centrum is transferred to the state Odyssey of the Mind program.

2. Odyssey of the Mind Transfer - Funding is provided for Odyssey of the Mind program support through the state Odyssey of the Mind organization.

3. Gifted Funded @ 2 Percent - The ratio for providing allocations to school districts for gifted programs is increased to 2 percent of enrolled students from the current maximum of 1.5 percent. This appropriation adds \$8.60 per enrolled student for enrichment programs to be designed at the discretion of school districts

1997-99 Budget
Public Schools
Education Reform
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 27.1 | 35,966 | 48,699 |
| 1997-99 Maintenance Level | 27.1 | 56,713 | 69,446 |
| Policy Changes: | | | |
| 1. Change Assessment Timeline # | 0.0 | -11,147 | -11,147 |
| 2. Federal Reform Grant Increase | 0.0 | -200 | 2,774 |
| 3. School-To-Work | 0.0 | -2,970 | -2,970 |
| 4. Superintendent/Principal internship | 0.0 | -1,620 | -1,620 |
| Total Policy Changes | 0.0 | -15,937 | -12,963 |
| Total 1997-99 Biennium | 27.1 | 40,776 | 56,483 |
| Difference from 1995-97 | 0.0 | 4,810 | 7,784 |
| % Change from 1995-97 | 0.0% | 13.4% | 16.0% |

Comments:

1. Change Assessment Timeline # - The Commission on Student Learning timeline for developing and implementing assessments of student learning is adjusted consistent with SHB 1777 (student assessment system). Assessments in reading, writing, communications, and mathematics are to be available in grades four, seven, and ten by school years 1996-97, 1997-98, and 1998-99 respectively. Assessments in science, history, arts and health/fitness are phased in over several years ending with the 2001-02 school year.

2. Federal Reform Grant Increase - Federal Goals 2000 funding increases from the current budgeted level of \$6.5 million per year to \$8.4 million per year will fund an increase in competitive grants from \$5,850,000 to \$7,560,000 per year. Funding to assist the Commission on Student Learning's development of student assessment increases from \$400,000 to \$500,000 per year. The remaining \$340,000 per year is budgeted for state administration in program 010 (State Office Administration).

3. School-To-Work - Specific funding for this program is eliminated. Funds are transferred to the block grant program, providing local control and flexibility regarding continuation of this program. School districts may use these new funds to provide services to students transitioning from school to the workplace. More than 100 school districts received grants in the past three years for school to work programs. In 1995, the state entered into a contract with the Federal Department of Labor for federal school-to-work funds which will amount to an estimated \$26 million over five years.

4. Superintendent/Principal internship - Specific funding for this program is eliminated. Funds are transferred to the block grant program, providing local control and flexibility regarding continuation of this program. School districts may use these new funds to provide experience for future principals and superintendents. This program has historically funded release time for staff to receive training to become future administrators.

1997-99 Budget
Public Schools
Transitional Bilingual Instruction
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 54,810 | 54,810 |
| 1997-99 Maintenance Level | 0.0 | 65,198 | 65,198 |
| Policy Changes: | | | |
| 1. Bilingual Enrollment | 0.0 | -638 | -638 |
| 2. New Bilingual Formula | 0.0 | 71 | 71 |
| Total Policy Changes | 0.0 | -567 | -567 |
| Total 1997-99 Biennium | 0.0 | 64,631 | 64,631 |
| Difference from 1995-97 | 0.0 | 9,821 | 9,821 |
| % Change from 1995-97 | 0.0% | 17.9% | 17.9% |

Comments:

1. Bilingual Enrollment - The definition of a bilingual student who is eligible for funding is changed to a student who is enrolled in grades Kindergarten through 12 and receiving instruction in accordance with state bilingual laws. In the 1996-97 school year there are approximately 600 students submitted for funding who do not meet these criteria.

2. New Bilingual Formula - The current dollar per student funding formula is replaced with a weighted formula based on time in program and grade level of students. The new formula has a sliding scale for time in program and is based on the fact that students require greater resources in the first year of bilingual instruction and less in subsequent years as they become integrated in the regular school program. The new formula also provides more funds for students in grades 8-12, and less for student in grades K-4, consistent with evidence that older students arriving in this country present the greatest educational challenge.

1997-99 Budget
Public Schools
Learning Assistance Program (LAP)
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 114,627 | 114,627 |
| 1997-99 Maintenance Level | 0.0 | 121,171 | 121,171 |
| Total 1997-99 Biennium | 0.0 | 121,171 | 121,171 |
| Difference from 1995-97 | 0.0 | 6,544 | 6,544 |
| % Change from 1995-97 | 0.0% | 5.7% | 5.7% |

Comments:

1997-99 Budget
Public Schools
Block Grants
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|--|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 114,969 | 114,969 |
| 1997-99 Maintenance Level | 0.0 | 49,847 | 49,847 |
| Policy Changes: | | | |
| 1. Student Learning Improvement Grants | 0.0 | 40,842 | 40,842 |
| 2. Block Grant Rate | 0.0 | 2,969 | 2,969 |
| Total Policy Changes | 0.0 | 43,811 | 43,811 |
| Total 1997-99 Biennium | 0.0 | 93,658 | 93,658 |
| Difference from 1995-97 | 0.0 | -21,311 | -21,311 |
| % Change from 1995-97 | 0.0% | -18.5% | -18.5% |

Comments:

1. Student Learning Improvement Grants - Student learning improvement grants are provided at the rate \$30 per K-4 student, \$24 per student in grades 5-7, and \$18 per student for grades 8-12. Use of the grants will be focused on improving teaching and assessments of reading, writing, communication and mathematics consistent with the timelines for performance assessments required in fourth grade beginning next school year. Reading, writing, communication and math constitute about 80 percent of the instruction taking place in grades K-4, about 60 percent in grades 5-7, and about 40 percent in grades 8-12.

2. Block Grant Rate - The block grant rate is increased from the current \$26.30 per student to \$32.25 per student as a result of the transfer of 100 percent of the funds from the Readiness to Learn and School-to-Work programs.

1997-99 Budget
Public Schools
Compensation Adjustments
(Dollars in Thousands)

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 218,964 | 218,964 |
| 1997-99 Maintenance Level | 0.0 | 0 | 0 |
| Policy Changes: | | | |
| 1. K-12 Salary COLA | 0.0 | 176,537 | 176,537 |
| 2. Health Benefit Rate Adjustments | 0.0 | 19,751 | 19,751 |
| Total Policy Changes | 0.0 | 196,288 | 196,288 |
| Total 1997-99 Biennium | 0.0 | 196,288 | 196,288 |
| Difference from 1995-97 | 0.0 | -22,676 | -22,676 |
| % Change from 1995-97 | 0.0% | -10.4% | -10.4% |

Comments:

1. K-12 Salary COLA - Salary cost of living adjustments (COLAs) are provided to all state funded school district staff including certificated instructional staff, classified staff and certificated administrative staff. A 3 percent increase is effective September 1, 1997.

2. Health Benefit Rate Adjustments - The current health benefits rate per month of \$314.51 is increased to \$317.34 in 1997-98 and \$335.75 in 1998-99.

1997-99 Budget
Higher Education Coordinating Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|------|----------------------|---------|
| 1995-97 Estimated Expenditures | 53.7 | 152,073 | 162,288 |
| 1997-99 Maintenance Level | 55.8 | 156,206 | 165,254 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 14 | 14 |
| 2. General Inflation | 0.0 | -32 | -32 |
| 3. State Need Grant | 1.0 | 17,696 | 17,696 |
| 4. EOG | 0.5 | 5,500 | 5,500 |
| 5. Washington Scholars | 0.0 | 967 | 967 |
| 6. Award for Vocational Excellence | 0.0 | 232 | 232 |
| 7. Hispanic American Fellowship | 0.0 | 50 | 50 |
| 8. Instructional Efficiency | 0.0 | 6,396 | 6,396 |
| 9. Prepaid Tuition # | 0.0 | 100 | 100 |
| 10. Undergraduate Fellowships | 0.0 | 750 | 750 |
| 11. Western Interstate Commission | 0.0 | 5 | 5 |
| 12. State Work Study | 1.0 | 5,000 | 10,842 |
| 13. Balance Health Services Account | 0.0 | 2,236 | 0 |
| Total Policy Changes | 2.5 | 38,914 | 42,520 |
| Total 1997-99 Biennium | 58.3 | 195,120 | 207,774 |
| Difference from 1995-97 | 4.6 | 43,047 | 45,486 |
| % Change from 1995-97 | 8.6% | 28.3% | 28.0% |

Comments:

1. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. State Need Grant - Funding is provided for the State Need Grant program. The program will serve approximately 3,900 additional students per year with family incomes of approximately 43% percent of the state's median family income.

4. EOG - Funding is provided for the Educational Opportunity Grant program. The increased funding level will serve approximately 1,100 additional student FTEs in Fiscal Year 1998 and 1,100 additional student FTEs in Fiscal Year 1999.

5. Washington Scholars - Funding is provided for tuition and fee grants for recipients of the Washington Scholars Award.

6. Award for Vocational Excellence - Funding is provided for tuition and fee grants to recipients of the Washington Award for Vocational Excellence.

7. Hispanic American Fellowship - Funding is provided for state matching funds to establish the Hispanic American Fellowship program pursuant to 2SHB 1622. If 2SHB 1622 is not enacted by June 30, 1997, this amount shall lapse.

8. Instructional Efficiency - Funding is transferred in fiscal year 1999 from the non-instructional budgets of the baccalaureate institutions to the Higher Education Coordinating Board for incentive grants. The HECB will evaluate institutions' achievements of measurable and specific improvements in faculty productivity, student retention, graduation rates and the undergraduate graduation efficiency index. Incentive grants shall be made based upon the proportion of each institution's achievement of its performance targets in 1997-98 and upon each institution's plan for achievement in academic year 1998-99.

1997-99 Budget
Higher Education Coordinating Board

Friday, Apr. 04, 1997
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9. Prepaid Tuition # - Funding is provided for 1997-99 biennium start up costs of a new Prepaid College Tuition Payment program pursuant to E2SHB 1372 (advanced college tuition payment). This program is designed to enhance the ability of Washington citizens to obtain financial access to institutions of higher education through the encouragement of savings. If E2SHB 1372 is not enacted before June 30, 1997 this amount shall lapse.

10. Undergraduate Fellowships - Funding is provided for state matching funds to establish 30 undergraduate fellowships pursuant to 2SHB 1055. If 2SHB 1055 is not enacted by June 30, 1997, this amount shall lapse.

11. Western Interstate Commission - Funding is provided for increased membership dues to the Western Interstate Commission for Higher Education (WICHE).

12. State Work Study - Funding is provided for the state and federal work study programs. New state general funds will serve approximately 1,400 student FTEs in Fiscal Year 1998 and 1,300 student FTEs in Fiscal Year 1999. Funding is also provided through the federal work study program and will serve approximately 2,230 additional students each year.

13. Balance Health Services Account - Funds are provided from the General Fund-State to replace the Health Services Account funding for the Health Professional Loan Repayment and Scholarship Program.

1997-99 Budget
University of Washington
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------------|----------|----------------------|-----------|
| 1995-97 Estimated Expenditures | 16,419.3 | 526,997 | 2,353,048 |
| 1997-99 Maintenance Level | 16,547.3 | 541,976 | 2,405,659 |
| Policy Changes: | | | |
| 1. Hospital Inflation | 0.0 | 0 | 6,113 |
| 2. Health Benefits Increase | 0.0 | 1,593 | 1,630 |
| 3. General Inflation | 0.0 | -4,999 | -4,999 |
| 4. Enrollment | 71.6 | 7,848 | 11,626 |
| 5. Burke Museum | 0.0 | 94 | 94 |
| 6. Faculty Retention | 0.0 | 1,552 | 1,552 |
| 7. Environmental Health Programs | 7.8 | 0 | 980 |
| 8. State Toxicology Lab | 1.0 | 0 | 12 |
| 9. Primary Care Training | 0.0 | 3,343 | 3,343 |
| 10. Instructional Efficiency | 0.0 | -3,029 | -3,029 |
| 11. Health Services Account Reduction | 0.0 | 0 | -6,252 |
| 12. Salary Increase | 0.0 | 16,644 | 16,840 |
| 13. Tuition Rate Increase | 0.0 | 0 | 8,091 |
| Total Policy Changes | 80.3 | 23,046 | 36,001 |
| Total 1997-99 Biennium | 16,627.6 | 565,022 | 2,441,660 |
| Difference from 1995-97 | 208.3 | 38,025 | 88,612 |
| % Change from 1995-97 | 1.3% | 7.2% | 3.8% |

Comments:

1. Hospital Inflation - Funding is provided for anticipated hospital cost inflation at the University of Washington Medical Center and Harborview Hospital. (Nonappropriated University Hospital Account)

2. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Enrollment - Funding is provided for 295 new student FTEs in Fiscal Year 1998 and an additional 600 student FTEs in Fiscal Year 1999. The additional student FTEs are for the Seattle campus, the Bothell campus, and the Tacoma campus. Funding for the undergraduates at the branch campuses is provided at the upper division cost. (General Fund-State, Nonappropriated Institutional Operating Fees Account)

5. Burke Museum - Funding is provided for the employment of a fossil preparator/educator at the Burke Museum. This entire amount shall go directly to the Burke Museum.

6. Faculty Retention - Funding is provided for competitive faculty salary offers to help preserve instructional and research quality.

7. Environmental Health Programs - Funds are provided to the University's Department of Environmental Health for the following: agricultural safety, policy analysis and program evaluation, placement of interns with the Department of Labor and Industries, collaborative outreach with the state to elementary and secondary schools regarding workplace safety as part of the federal school to work grant, and research support in occupational epidemiology and biostatistics. (Accident Account-State, Medical Aid Account-State)

1997-99 Budget
University of Washington

8. State Toxicology Lab - Funding is provided for forensic toxicology services to meet the increasing demand for driver drug testing. (Death Investigations Account-State)

9. Primary Care Training - Funding is provided from the general fund-state for training of primary care physicians and other primary care providers.

10. Instructional Efficiency - Funding for Fiscal year 1999 is re-directed from non-instructional programs to the Higher Education Coordinating Board for incentive grants to institutions based upon progress toward performance goals for faculty productivity, freshmen retention rates, graduation rates, and the graduation efficiency index.

11. Health Services Account Reduction - Funding is eliminated from the Health Services Account for graduate student health benefits and training for primary care workers.

12. Salary Increase - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997. (General Fund-State, Death Investigations Account-State, Accident Account-State, Medical Aid Account-State)

13. Tuition Rate Increase - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates of growth in the Implicit Price Deflator).

1997-99 Budget
Washington State University
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 5,215.7 | 309,713 | 691,962 |
| 1997-99 Maintenance Level | 5,354.9 | 323,295 | 713,626 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 913 | 913 |
| 2. General Inflation | 0.0 | -1,790 | -1,793 |
| 3. Enrollment | 46.5 | 6,570 | 9,316 |
| 4. Air Pollution Control Adjustment | 0.0 | 0 | -4 |
| 5. Community Gardens | 0.0 | 50 | 50 |
| 6. Faculty Retention | 0.0 | 730 | 730 |
| 7. Instructional Efficiency | 0.0 | -1,806 | -1,806 |
| 8. Health Services Account Reduction | 0.0 | 0 | -1,400 |
| 9. Salary Increase | 0.0 | 9,893 | 9,893 |
| 10. Tuition Rate Increase | 0.0 | 0 | 4,518 |
| Total Policy Changes | 46.5 | 14,560 | 20,417 |
| Total 1997-99 Biennium | 5,401.4 | 337,855 | 734,043 |
| Difference from 1995-97 | 185.7 | 28,142 | 42,081 |
| % Change from 1995-97 | 3.6% | 9.1% | 6.1% |

Comments:

1. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Enrollment - Funding is provided for 155 student FTEs in Fiscal Year 1998 and for an additional 590 student FTEs in Fiscal Year 1999. The additional student FTEs are for the Pullman campus, the Spokane campus, the Tri Cities campus, and the Vancouver campus. Undergraduate students at the branch campuses are funded at the upper division rate. (General Fund-State, Nonappropriated Institutional Operating Fees Account)

4. Air Pollution Control Adjustment - Funding is reduced to balance expenditures with available revenues. (Air Pollution Control Account-State)

5. Community Gardens - Funding is provided for the state matching funds for community garden projects pursuant to SHB1580 (community gardens). If SHB1580 is not enacted by June 30, 1997 these funds shall lapse.

6. Faculty Retention - Funding is provided for competitive faculty salary offers to help preserve instructional and research quality.

7. Instructional Efficiency - Funding for Fiscal year 1999 is re-directed from non-instructional programs to the Higher Education Coordinating Board for incentive grants to institutions based upon progress toward performance goals for faculty productivity, freshmen retention rates, graduation rates, and the graduation efficiency index.

8. Health Services Account Reduction - Funding is eliminated from the Health Services Account for graduate student health benefits.

1997-99 Budget
Washington State University

Friday, Apr. 04, 1997
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9. Salary Increase - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is also provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997.

10. Tuition Rate Increase - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates of growth in the Implicit Price Deflator).

1997-99 Budget
Eastern Washington University
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 1,182.7 | 75,744 | 143,119 |
| 1997-99 Maintenance Level | 1,149.6 | 76,409 | 139,456 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 250 | 250 |
| 2. General Inflation | 0.0 | -677 | -750 |
| 3. Faculty Retention | 0.0 | 107 | 107 |
| 4. Instructional Efficiency | 0.0 | -428 | -428 |
| 5. Health Services Account Reduction | 0.0 | 0 | -200 |
| 6. Salary Increase | 0.0 | 2,418 | 2,418 |
| 7. Tuition Rate Increase | 0.0 | 0 | 1,390 |
| Total Policy Changes | 0.0 | 1,670 | 2,787 |
| Total 1997-99 Biennium | 1,149.6 | 78,079 | 142,243 |
| Difference from 1995-97 | -33.1 | 2,335 | -876 |
| % Change from 1995-97 | -2.8% | 3.1% | -0.6% |

Comments:

1. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Faculty Retention - Funding is provided for competitive faculty salary offers to help preserve instructional and research quality.

4. Instructional Efficiency - Funding for Fiscal year 1999 is re-directed from non-instructional programs to the Higher Education Coordinating Board for incentive grants to institutions based upon progress toward performance goals for faculty productivity, freshmen retention rates, graduation rates, and the graduation efficiency index.

5. Health Services Account Reduction - Funding is eliminated from the Health Services Account for graduate student health benefits.

6. Salary Increase - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is also provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997.

7. Tuition Rate Increase - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates of growth in the Implicit Price Deflator).

1997-99 Budget
Central Washington University
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 911.2 | 69,886 | 123,790 |
| 1997-99 Maintenance Level | 993.9 | 72,117 | 134,194 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 247 | 247 |
| 2. General Inflation | 0.0 | -334 | -334 |
| 3. Enrollment | 10.6 | 1,292 | 1,907 |
| 4. Faculty Retention | 0.0 | 102 | 102 |
| 5. Instructional Efficiency | 0.0 | -403 | -403 |
| 6. Health Services Account Reduction | 0.0 | 0 | -140 |
| 7. Salary Increase | 0.0 | 2,284 | 2,284 |
| 8. Tuition Rate Increase | 0.0 | 0 | 1,221 |
| Total Policy Changes | 10.6 | 3,188 | 4,884 |
| Total 1997-99 Biennium | 1,004.4 | 75,305 | 139,078 |
| Difference from 1995-97 | 93.2 | 5,419 | 15,288 |
| % Change from 1995-97 | 10.2% | 7.8% | 12.3% |

Comments:

1. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Enrollment - Funding is provided for 90 student FTEs in Fiscal Year 1998 and an additional 100 student FTEs in Fiscal Year 1999. (General Fund-State, Nonappropriated Institutional Operating Fees Account)

4. Faculty Retention - Funding is provided for competitive faculty salary offers to help preserve instructional and research quality.

5. Instructional Efficiency - Funding for Fiscal year 1999 is re-directed from non-instructional programs to the HECB for incentive grants to institutions based upon progress toward performance goals for faculty productivity, freshmen retention rates, graduation rates, and the graduation efficiency index.

6. Health Services Account Reduction - Funding is eliminated from the Health Services Account for graduate student health benefits.

7. Salary Increase - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is also provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997.

8. Tuition Rate Increase - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates in growth of the Implicit Price Deflator).

1997-99 Budget
The Evergreen State College
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 594.7 | 37,761 | 66,335 |
| 1997-99 Maintenance Level | 599.9 | 38,740 | 68,120 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 143 | 143 |
| 2. General Inflation | 0.0 | -464 | -464 |
| 3. Enrollment | 12.3 | 907 | 1,789 |
| 4. Faculty Retention | 0.0 | 58 | 58 |
| 5. Instructional Efficiency | 0.0 | -217 | -217 |
| 6. Salary Increase | 0.0 | 1,314 | 1,314 |
| 7. Tuition Rate Increase | 0.0 | 0 | 871 |
| Total Policy Changes | 12.3 | 1,741 | 3,494 |
| Total 1997-99 Biennium | 612.2 | 40,481 | 71,614 |
| Difference from 1995-97 | 17.5 | 2,720 | 5,279 |
| % Change from 1995-97 | 2.9% | 7.2% | 8.0% |

Comments:

- 1. Health Benefits Increase** - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.
- 2. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 3. Enrollment** - Funding is provided for 90 student FTEs in Fiscal Year 1998 and an additional 80 student FTEs in Fiscal Year 1999. (General Fund-State, Nonappropriated Institutional Operating Fees Account)
- 4. Faculty Retention** - Funding is provided for competitive faculty salary offers to help preserve instructional and research quality.
- 5. Instructional Efficiency** - Funding for Fiscal year 1999 is re-directed from non-instructional programs to the HECB for incentive grants to institutions based upon progress toward performance goals for faculty productivity, freshmen retention rates, graduation rates, and the graduation efficiency index.
- 6. Salary Increase** - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is also provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997.
- 7. Tuition Rate Increase** - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates of growth in the Implicit Price Deflator).

1997-99 Budget
Joint Center for Higher Education
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|---------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 25.4 | 2,462 | 9,587 |
| 1997-99 Maintenance Level | 25.4 | 2,717 | 9,867 |
| Policy Changes: | | | |
| 1. Campus Development | 0.0 | 0 | 622 |
| 2. Health Benefits Increase | 0.0 | 1 | 1 |
| 3. Local Fund/Grant Activity Increase | 3.0 | 0 | 1,520 |
| 4. General Inflation | 0.0 | -79 | -104 |
| Total Policy Changes | 3.0 | -78 | 2,039 |
| Total 1997-99 Biennium | 28.4 | 2,639 | 11,906 |
| Difference from 1995-97 | 3.0 | 177 | 2,319 |
| % Change from 1995-97 | 11.8% | 7.2% | 24.2% |

Comments:

1. Campus Development - Funding is adjusted to reflect gross expenditures pursuant to State Auditor findings. The Joint Center for Higher Education (JCHE) must identify the gross rather than the net amount of revenue from its leased properties and the management expenses to maintain those properties. In addition, an increase in expenditures for Riverpoint Campus improvements (street, parking, and utility improvements, environmental studies, etc.) is supported by an increase in revenue from grants and fund reserves. (Dedicated Local Account, Nonappropriated)

2. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

3. Local Fund/Grant Activity Increase - Funding is provided for grants, personal service contracts, and additional FTE staff authority for student interns and temporary staff during the 1997-99 Biennium. This funding represents the last two years of a \$15 million federal grant. The total FTE staff supported by grant activity will be reviewed in the next biennial budget to ensure continued grant and local fund support for the allotted FTE staff. (Grant and Contract Account, Nonappropriated and Dedicated Local Account, Nonappropriated)

4. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Western Washington University
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 1,318.1 | 88,242 | 163,781 |
| 1997-99 Maintenance Level | 1,381.5 | 91,785 | 181,947 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 324 | 324 |
| 2. General Inflation | 0.0 | -839 | -839 |
| 3. Enrollment | 15.9 | 2,150 | 3,170 |
| 4. Faculty Retention | 0.0 | 133 | 133 |
| 5. Instructional Efficiency | 0.0 | -513 | -513 |
| 6. Health Services Account Reduction | 0.0 | 0 | -200 |
| 7. Salary Increase | 0.0 | 2,993 | 2,993 |
| 8. Tuition Rate Increase | 0.0 | 0 | 1,682 |
| Total Policy Changes | 15.9 | 4,248 | 6,750 |
| Total 1997-99 Biennium | 1,397.4 | 96,033 | 188,697 |
| Difference from 1995-97 | 79.3 | 7,791 | 24,916 |
| % Change from 1995-97 | 6.0% | 8.8% | 15.2% |

Comments:

1. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Enrollment - Funding is provided for 145 student FTEs in Fiscal Year 1998 and an additional 170 student FTEs in Fiscal Year 1999. (General Fund-State, Nonappropriated Institutional Operating Fees Account)

4. Faculty Retention - Funding is provided for competitive faculty salary offers to help preserve instructional and research quality.

5. Instructional Efficiency - Funding for Fiscal year 1999 is re-directed from non-instructional programs to the HECB for incentive grants to institutions based upon progress toward performance goals for faculty productivity, freshmen retention rates, graduation rates, and the graduation efficiency index.

6. Health Services Account Reduction - Funding is eliminated from the Health Services Account for graduate student health benefits.

7. Salary Increase - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is also provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997.

8. Tuition Rate Increase - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates of growth in the Implicit Price Deflator).

1997-99 Budget
Community/Technical College System
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 11,981.6 | 704,066 | 1,251,430 |
| 1997-99 Maintenance Level | 11,795.5 | 728,211 | 1,207,644 |
| Policy Changes: | | | |
| 1. Health Benefits Increase | 0.0 | 2,683 | 2,683 |
| 2. Worker Training Reauthorization # | 217.8 | 27,676 | 64,691 |
| 3. General Inflation | 0.0 | -4,860 | -4,860 |
| 4. Enrollment | 175.6 | 21,629 | 27,250 |
| 5. New Campus Support | 5.5 | 1,650 | 1,650 |
| 6. Faculty Salary Disparity | 0.0 | 2,934 | 2,934 |
| 7. Faculty Salary Increments | 0.0 | 3,137 | 3,137 |
| 8. Fund for Innovation and Quality | -35.0 | -3,000 | -3,000 |
| 9. Salary Increase | 0.0 | 22,331 | 23,021 |
| 10. Tuition Rate Increase | 0.0 | 0 | 7,128 |
| Total Policy Changes | 363.8 | 74,180 | 124,634 |
| Total 1997-99 Biennium | 12,159.3 | 802,391 | 1,332,278 |
| Difference from 1995-97 | 177.7 | 98,325 | 80,848 |
| % Change from 1995-97 | 1.5% | 14.0% | 6.5% |

Comments:

1. Health Benefits Increase - Funding is provided for the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999.

2. Worker Training Reauthorization # - Funding is provided from the state general fund and from the Employment and Training Trust Fund for unemployed workers' training. Funding supports 7,200 student FTEs each year of the 1997-99 biennium. The general fund-state funding level assumes that the total remaining balance of funds in the Employment and Training Trust Fund are utilized. Funding is also included for support services which may include child care assistance, transportation and financial aid.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

4. Enrollment - Funding is provided for 2,100 student FTEs in Fiscal Year 1998 and an additional 2,100 student FTEs in Fiscal Year 1999. (General Fund-State, Nonappropriated Institutional Operating Fees Account)

5. New Campus Support - Funding is provided for administration and senior faculty to develop curricula, organize operations, and plan the purchase of library resources. Cascadia Community College plans to open for classes in the fall of 1999 in new space co-located with the University of Washington Bothell branch campus.

6. Faculty Salary Disparity - Funding is provided for the board to address part-time faculty salary disparity.

7. Faculty Salary Increments - Funding is provided for faculty salary increments.

8. Fund for Innovation and Quality - Funding is reduced for the Fund for Innovation and Quality, which was authorized in the 1996 supplemental operating budget. \$500,000 is provided in Fiscal Year 1998 and \$500,000 is provided in Fiscal Year 1999 for a maximum of 10 grants each fiscal year to community and technical colleges. The board shall make grants to the colleges for productivity enhancements in student services and instruction that facilitate student progress, and for innovation proposals that provide greater student access and learning opportunities.

1997-99 Budget
Community/Technical College System

Friday, Apr. 04, 1997
8:36 am

9. Salary Increase - All classified staff will receive salary adjustments of 3.0 percent effective July 1, 1997. Funding is also provided for institutions to provide faculty and exempt personnel with an average increase of 3.0 percent effective July 1, 1997. (General Fund-State, Employment and Training Trust Fund)

10. Tuition Rate Increase - For state budgeting purposes, tuition rates are assumed to increase by 2.5 percent in Fiscal Year 1998 and by 2.7 percent in Fiscal Year 1999 (the forecasted rates of growth in the Implicit Price Deflator).

1997-99 Budget
State School for the Blind
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 63.2 | 7,220 | 7,229 |
| 1997-99 Maintenance Level | 69.3 | 7,443 | 7,636 |
| Policy Changes: | | | |
| 1. Outreach Program | 1.0 | 70 | 70 |
| 2. Staffing Adjustment | 2.0 | 0 | 0 |
| 3. General Inflation | 0.0 | -61 | -62 |
| Total Policy Changes | 3.0 | 9 | 8 |
| Total 1997-99 Biennium | 72.3 | 7,452 | 7,644 |
| Difference from 1995-97 | 9.2 | 232 | 415 |
| % Change from 1995-97 | 14.5% | 3.2% | 5.7% |

Comments:

1. Outreach Program - Funding is provided for an outreach services coordinator. The Washington State School for the Blind has expanded its outreach to serve 321 percent more blind children since 1991. Much of the funding for outreach services comes from contracted services with Education Service Districts and Local Education Agencies. This item provides 1.0 FTE staff to serve as Director of Outreach, with one-third of the funding from General Fund-State. The remaining funding will be from contracted services with the Local Education Agencies and Education Service Districts for actual outreach services and from the federal grant received for the Washington Instructional Resource Center to act as Project Director.

2. Staffing Adjustment - A technical adjustment is made in the FTE staff authority for two fully funded positions previously transferred from the Washington State School for the Deaf to the Washington State School for the Blind.

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State School for the Deaf
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 129.8 | 12,947 | 12,966 |
| 1997-99 Maintenance Level | 129.0 | 12,966 | 12,967 |
| Policy Changes: | | | |
| 1. Extended School Year | 0.0 | 40 | 40 |
| 2. General Inflation | 0.0 | -89 | -90 |
| Total Policy Changes | 0.0 | -49 | -50 |
| Total 1997-99 Biennium | 129.0 | 12,917 | 12,917 |
| Difference from 1995-97 | -0.8 | -30 | -49 |
| % Change from 1995-97 | -0.6% | -0.2% | -0.4% |

Comments:

1. Extended School Year - Funding is provided for the Extended School Year (ESY) program. The ESY program will provide on-going educational programs during the summer to Washington State School for the Deaf (WSD) students as required in their Individual Evaluation Programs. Currently, approximately 10 percent of the WSD students have been identified as needing educational services during the summer months. This item provides half the necessary funds with the expectation that WSD will work with the Local Education Agencies to share costs to provide summer educational services to students.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
Work Force Trng & Educ Coord Board
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 25.7 | 3,342 | 38,516 |
| 1997-99 Maintenance Level | 23.7 | 3,411 | 38,300 |
| Policy Changes: | | | |
| 1. Program Reduction | 0.0 | -114 | -114 |
| 2. General Inflation | 0.0 | -14 | -29 |
| Total Policy Changes | 0.0 | -128 | -143 |
| Total 1997-99 Biennium | 23.7 | 3,283 | 38,157 |
| Difference from 1995-97 | -2.0 | -59 | -359 |
| % Change from 1995-97 | -7.8% | -1.8% | -0.9% |

Comments:

1. Program Reduction - Funding is reduced based on anticipated efficiencies in work force planning and evaluation and private vocational school licensure activities.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
State Library
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 132.1 | 14,705 | 19,601 |
| 1997-99 Maintenance Level | 130.6 | 14,730 | 19,702 |
| Policy Changes: | | | |
| 1. Reduce Storage Collection | 0.0 | -23 | -23 |
| 2. General Inflation | 0.0 | -207 | -326 |
| 3. Government Information Locator | 1.5 | 198 | 198 |
| 4. Talking Book Library Renovation | 0.0 | 25 | 25 |
| Total Policy Changes | 1.5 | -7 | -126 |
| Total 1997-99 Biennium | 132.1 | 14,723 | 19,576 |
| Difference from 1995-97 | 0.0 | 18 | -25 |
| % Change from 1995-97 | 0.0% | 0.1% | -0.1% |

Comments:

1. Reduce Storage Collection - Funding is reduced due to less need for storage by moving approximately 50 percent of outdated books to local libraries.

2. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

3. Government Information Locator - Funding is provided to continue the evaluation of the Government Information Locator Service (GILS) pilot project.

4. Talking Book Library Renovation - Funding is provided for a new telephone system at the Washington Talking Book and Braille Library.

1997-99 Budget
Washington State Arts Commission
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 17.1 | 4,289 | 5,770 |
| 1997-99 Maintenance Level | 17.1 | 4,269 | 4,959 |
| Policy Changes: | | | |
| 1. Program Reduction | 0.0 | -213 | -213 |
| 2. General Inflation | 0.0 | -28 | -28 |
| 3. Grant (unanticipated recpt) | 0.0 | 0 | 7 |
| Total Policy Changes | 0.0 | -241 | -234 |
| Total 1997-99 Biennium | 17.1 | 4,028 | 4,725 |
| Difference from 1995-97 | 0.0 | -261 | -1,045 |
| % Change from 1995-97 | 0.0% | -6.1% | -18.1% |

Comments:

- 1. Program Reduction** - Funding is reduced due to increased public/private partnership opportunities.
- 2. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 3. Grant (unanticipated recpt)** - Funding is provided to support the Governor's Arts and Heritage Awards Ceremony.

1997-99 Budget
Washington State Historical Society
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 40.2 | 4,312 | 5,323 |
| 1997-99 Maintenance Level | 53.6 | 5,153 | 6,633 |
| Policy Changes: | | | |
| 1. Local Area Network Support | 0.0 | -38 | -38 |
| 2. Customer Survey | 0.0 | 0 | 6 |
| 3. General Inflation | 0.0 | -76 | -107 |
| Total Policy Changes | 0.0 | -114 | -139 |
| Total 1997-99 Biennium | 53.6 | 5,039 | 6,494 |
| Difference from 1995-97 | 13.5 | 727 | 1,171 |
| % Change from 1995-97 | 33.5% | 16.9% | 22.0% |

Comments:

1. Local Area Network Support - Funding is reduced due to efficiencies gained from the use of a local area network to connect the three museum sites.

2. Customer Survey - Additional local funds are provided to conduct customer surveys. (Local Museum Account)

3. General Inflation - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.

1997-99 Budget
East Wash State Historical Society
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 10.3 | 1,219 | 1,219 |
| 1997-99 Maintenance Level | 12.0 | 1,504 | 1,504 |
| Policy Changes: | | | |
| 1. General Inflation | 0.0 | -16 | -16 |
| 2. Exhibit Design and Planning | 0.0 | 275 | 275 |
| Total Policy Changes | 0.0 | 259 | 259 |
| Total 1997-99 Biennium | 12.0 | 1,763 | 1,763 |
| Difference from 1995-97 | 1.8 | 544 | 544 |
| % Change from 1995-97 | 17.1% | 44.6% | 44.6% |

Comments:

- 1. General Inflation** - Funding for inflation provided in the maintenance level budget is eliminated in the policy level budget.
- 2. Exhibit Design and Planning** - Funding is provided for the planning and design of the Tribes of the Plateau exhibit.

1997-99 Budget
Bond Retirement and Interest
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|------------------------------------|------|----------------------|-----------|
| 1995-97 Estimated Expenditures | 0.0 | 861,672 | 971,164 |
| 1997-99 Maintenance Level | 0.0 | 968,313 | 1,127,124 |
| Policy Changes: | | | |
| 1. Debt Service Fund Realignment # | 0.0 | 0 | -12,473 |
| 2. 1997-99 Capital Budget | 0.0 | 13,415 | 25,757 |
| 3. Energy Efficiency Bonds | 0.0 | 281 | 281 |
| Total Policy Changes | 0.0 | 13,696 | 13,565 |
| Total 1997-99 Biennium | 0.0 | 982,009 | 1,140,689 |
| Difference from 1995-97 | 0.0 | 120,337 | 169,525 |
| % Change from 1995-97 | 0.0% | 14.0% | 17.5% |

Comments:

1. Debt Service Fund Realignment # - The realignment of debt service funds distinguishes the various types of debt service into categories that correspond to debt service classifications in the operating budget. Many single purpose bond retirement funds will be reorganized into seven new debt service funds. Because there is no net change in expenditures resulting from this realignment, this item is displayed as a total funds change of zero. (various debt service funds)

2. 1997-99 Capital Budget - Funds are provided to pay debt service and bond sale expenses for the 1997-99 Capital program. (General Fund-State and various debt service accounts)

3. Energy Efficiency Bonds - Funds are provided to pay debt service for energy efficiency bonds which were authorized in 1992. At the time the energy bonds were authorized, it was anticipated that the debt service would be paid by agencies from resulting energy savings. With the elimination of the State Energy Office in 1996, there is no longer a source of recovery for debt service payment. (General Fund-State)

1997-99 Budget
Special Approps to the Governor
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-----------------------------------|------|----------------------|--------|
| 1995-97 Estimated Expenditures | 0.0 | 6,781 | 8,572 |
| 1997-99 Maintenance Level | 0.0 | 6,714 | 9,653 |
| Policy Changes: | | | |
| 1. Year 2000 Computer Conversions | 0.0 | 5,340 | 26,427 |
| 2. Emergency Fund Reduction | 0.0 | -700 | -700 |
| Total Policy Changes | 0.0 | 4,640 | 25,727 |
| Total 1997-99 Biennium | 0.0 | 11,354 | 35,380 |
| Difference from 1995-97 | 0.0 | 4,573 | 26,808 |
| % Change from 1995-97 | 0.0% | 67.4% | 312.7% |

Comments:

1. Year 2000 Computer Conversions - In consultation with the Department of Information Services, the Office of Financial Management will allocate monies from the state general fund and other sources to allow state agencies to make older computer systems compatible with calendar dates of Year 2000 and beyond. Specific funding and projects have been identified in 11 agencies, at a total cost of \$16.4 million (\$5.3 million General Fund-State). No transportation agencies have been included in this combined funding.

In addition, \$10.0 million dollars will be set aside from existing fund balances in the Data Processing Revolving Account to provide contingency funding to address unforeseen expenses that may be encountered as computer conversions are implemented. The Data Processing Revolving Account is nonappropriated. (General Fund-State, Data Processing Revolving Account-Nonappropriated, other various accounts)

2. Emergency Fund Reduction - The Governor's Emergency Fund allocation is reduced to \$500,000 per fiscal year. It is anticipated that weather-related emergencies that exceed the allocation will be considered by the Legislature on a supplemental basis.

1997-99 Budget
State Employee Compensation Adjust
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|-------------------------------------|------|----------------------|----------|
| 1995-97 Estimated Expenditures | 0.0 | 585 | 585 |
| 1997-99 Maintenance Level | 0.0 | 0 | 0 |
| Policy Changes: | | | |
| 1. Salary Reclass Implementation | 0.0 | 15,931 | 24,793 |
| 2. Attorney General Salary Increase | 0.0 | 500 | 999 |
| 3. Health Benefits Cost Increase | 0.0 | 7,080 | 15,122 |
| 4. State Employee Salary Increase | 0.0 | 62,452 | 128,708 |
| Total Policy Changes | 0.0 | 85,963 | 169,622 |
| Total 1997-99 Biennium | 0.0 | 85,963 | 169,622 |
| Difference from 1995-97 | 0.0 | 85,378 | 169,037 |
| % Change from 1995-97 | 0.0% | 14594.5% | 28895.2% |

Comments:

1. Salary Reclass Implementation - Funding is provided to grant specific salary increases to some classified state and higher education employees. These increases are attributed to implementation of Chapter 319, Laws of 1996 (SSB 6767 -- Compensation modifications for state employees). Salary increase recommendations reflect prioritized salary adjustment decisions made to address salary inequities, recruitment and retention issues, salary compression or inversion, and increased duties and responsibilities. These prioritized decisions were adopted by the Washington Personnel Resources Board.

Classifications receiving adjustments beginning July 1, 1997 include: various clerical classes, physicians, dental classifications, pharmacists, maintenance custodians, medical records technicians, fish/wildlife biologists, fish/wildlife enforcement, habitat technicians, and fiscal technician classifications. Classifications receiving adjustments beginning July 1, 1998 include: various safety classifications, park rangers, park aides, correctional officers/sergeants, community corrections specialists, tax information specialists, industrial relations specialists, electrical classifications (Department of Labor & Industries), fingerprint technicians, some labor relations classifications, health benefits specialists, Department of Natural Resources foresters/land managers, and liquor enforcement officers. (General Fund-State, Other Funds)

2. Attorney General Salary Increase - Funding is provided to implement the final phase of the Attorney General's 1994 compensation study. This phase includes funding for increases for Assistant Attorney General levels 1 and 2. (General Fund-State, Other Funds)

3. Health Benefits Cost Increase - Funding is adjusted to reflect the increased cost of health benefits due to medical inflation. The rates assumed are \$317.34 for Fiscal Year 1998 and \$335.75 for Fiscal Year 1999. (General Fund-State, General Fund-Federal, Other Funds)

4. State Employee Salary Increase - Funding is provided for a cost-of-living adjustment of 3.0 percent effective July 1, 1997. (General Fund-State, General Fund-Federal, Other Funds)

1997-99 Budget
Contributions to Retirement Systems
(Dollars in Thousands)

Friday, Apr. 04, 1997
8:36 am

| | FTEs | House Passed GF-S | Total |
|--------------------------------|-------------|------------------------------|--------------|
| 1995-97 Estimated Expenditures | 0.0 | 189,600 | 189,600 |
| 1997-99 Maintenance Level | 0.0 | 159,600 | 159,600 |
| Total 1997-99 Biennium | 0.0 | 159,600 | 159,600 |
| Difference from 1995-97 | 0.0 | -30,000 | -30,000 |
| % Change from 1995-97 | 0.0% | -15.8% | -15.8% |

Comments: